

DECENNIAL CENSUS AND APPORTIONMENT OF REPRESENTATIVES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 312) to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress.

Mr. VANDENBERG. Mr. President, there are four typographical errors in the committee print on page 17. Merely for the purpose of perfecting the bill typographically, I ask unanimous consent to submit these amendments.

On line 2, page 17, the numeral "1" should be omitted.

The amendment was agreed to.

Mr. VANDENBERG. On page 17, line 1, the adjective "this" should be inserted after the word "by."

The amendment was agreed to.

Mr. VANDENBERG. In line 15, page 17, the word "Representative" should be plural, "Representatives."

The amendment was agreed to.

Mr. VANDENBERG. On line 19, page 17, the word "at" should be "within."

The amendment was agreed to.

Mr. FLETCHER. Mr. President, we have just taken up one bill on the calendar by unanimous consent. I am a little curious to know if there is any plan for taking up bills on the calendar in their regular order at any time? There are several bills on the calendar.

Mr. WATSON. Mr. President—

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Indiana?

Mr. FLETCHER. I yield.

Mr. WATSON. My understanding is that while the apportionment bill is pending we shall not start out to engage in other legislation. Some Senators desire to consider the apportionment bill to-night, and therefore I thought it would be in order at this time for the Senator in charge of the bill to move an adjournment, which I hope he may do.

Mr. JOHNSON. I will say to the Senator from Florida that I was going to make a motion to adjourn, but I will not do so if the Senator from Florida has something that he desires to present.

Mr. FLETCHER. No; I should like to get to the calendar at some time; that is all.

Mr. WATSON. As soon as this bill is out of the way I think we will go right to the calendar.

INTERNATIONAL PAPER & POWER CO. (S. DOC. NO. 11)

The VICE PRESIDENT laid before the Senate a communication from the Postmaster General, in response to Senate Resolution 53, agreed to May 6, 1929, transmitting a copy of the last statements filed under the provisions of the act of August 24, 1912, relative to the publishers and owners of certain newspapers, and advising that amended statements will be furnished the Senate at a later date, when procured, which, with the accompanying papers, was ordered to lie on the table and to be printed.

CLAIM OF KREMER & HOG

The VICE PRESIDENT laid before the Senate a communication from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of Kremer & Hog, of Minneapolis, Minn., against the United States, which, with the accompanying report, was referred to the Committee on Claims.

ADJOURNMENT

Mr. JOHNSON. I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 43 minutes p. m.) the Senate adjourned until to-morrow, Thursday, May 16, 1929, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, May 15, 1929

The House met at 12 o'clock noon and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou flawless One, who lived and taught and died, divinely conscious of a wonderful mission, we look to Thee and find our deepest longings satisfied. Teach us that Thou art still in the world; still accessible to all who come unto Thee with a humble and a contrite heart. Make us seriously concerned with the forces which are beyond the sky line of everyday life. Revive Thy work in the midst of the years—in the midst of the years make it known. Then as Thy glory covereth the heavens, so shall the earth be full of Thy praise and be silent to listen. In the holy name of Jesus we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, the bill H. R. 1, entitled "An act to establish a Federal farm board to promote the effective merchandising of agricultural commodities in interstate and foreign commerce and to place agriculture on a basis of economic equality with other industries," insists upon its amendment to said bill, requests a conference with the House thereon, and appoints Mr. McNARY, Mr. NORRIS, Mr. CAPPER, Mr. SMITH, and Mr. RANDELL to be the conferees on the part of the Senate.

CONTROL OF COTTON FUTURES EXCHANGES

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a resolution passed by the House of Representatives of the Legislature of Texas.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RANKIN. On what subject?

Mr. JOHNSON of Texas. On the subject of the regulation of cotton exchanges.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNSON of Texas. Mr. Speaker, under the leave to extend my remarks in the RECORD I include a resolution passed by the House of Representatives of the Legislature of Texas. The resolution is as follows:

Resolution

Whereas the Hon. TOM CONNALLY, United States Senator from Texas, has introduced in the Senate of the United States a bill to control the conduct of cotton-futures exchanges by placing them under the same regulatory powers of the United States Department of Agriculture as grain-futures exchanges are now regulated; and

Whereas the passage of such a measure is highly important to the producers of cotton throughout the South and especially the State of Texas, and provides among other things for southern deliveries on future contracts and names many of the southern spot markets as delivery points, including the Texas delivery points of Houston and Galveston; and further provides that such cotton-futures exchanges shall operate under the supervision of the Department of Agriculture, and before any exchange may be granted permission to do business must assure the Secretary that rules and regulations will be adopted preventing the manipulation or cornering of the cotton market; and

Whereas under the further provisions of the proposed legislation the Secretary of Agriculture would be empowered to suspend any member of the exchange when the market is being manipulated or any questionable or fictitious transactions such as "washing the market" and tendering and re-tendering the same cotton repeatedly without the intention of bona fide sale or the accumulation of low-grade cotton at certain points, for tendering purposes, and by means of such practices the cotton market is arbitrarily caused to fluctuate, and usually downward, with its consequent losses to the producers of cotton and demoralizing to the cotton-spinning industry; and

Whereas such proposed legislation is not intended to abolish the operation of the exchanges covered by the bill, but would require them to restrict their operations to legitimate purposes: Now, therefore, be it

Resolved by the House of Representatives of the Forty-first Legislature of Texas, That we commend the Hon. TOM CONNALLY for his efforts in curbing the disastrous practices above mentioned by the introduction of his proposed legislation, and that we further memorialize the Congress of the United States to pass said legislation as proposed by Senator CONNALLY, or legislation of a similar nature, and that the Members of Congress from Texas be requested to use their efforts and influence to secure the passage of such legislation; and be it further

Resolved, That a copy of this resolution be furnished by the chief clerk of the house immediately to Senator CONNALLY and to each of the Members of Congress from Texas.

W. S. BARRON,

Speaker of the House.

LOUISE SNOW PHINNEY,

Chief Clerk of the House.

ADDRESS OF HON. JOHN D. CLARKE, OF NEW YORK

Mr. WILLIAMS of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address made by Representative JOHN D. CLARKE, of New York, before a tariff club in Delaware County of his State.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. RANKIN. Is the gentleman from New York here?

Mr. CLARKE of New York. Right here, your honor. [Laughter.]

Mr. RANKIN. Is that speech more than five minutes long?

Mr. CLARKE of New York. It is not much over five minutes. It is concentrated wisdom of a farmer boy. [Applause.]

The SPEAKER. Is there objection?

There was no objection.

Mr. WILLIAMS of Illinois. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the speech recently made by Representative JOHN D. CLARKE, of New York, before the Dairymen's League of Delaware County, N. Y., at its annual convention. Following this address, Mr. CLARKE was unanimously reelected director for his county.

The speech is as follows:

FUNDAMENTALS IN AGRICULTURAL PROBLEMS

"In 1896 marked sanitation measures began in the Department of Health in the city of New York. Year by year the requirements and bacteriological standards have been increasing and there will undoubtedly be added requirements, all seeking to improve the quality of the milk to the vast consuming public in the metropolitan area. This will involve added expenditures and greater efforts by the milk producers of the New York Milk Shed, who must go farther seeking to meet these higher standards, all having a tendency to make milk production a specialized industry.

"The National Dairy Products Corporation, Borden's, Meridale Farms, and a great number of independents engaged in distributing and manufacturing ice cream, condensed milk, dry milk, etc., represent the intermediate between producer and consumer. It is my prophecy that ultimately there will be further consolidations that will ultimately reduce the intermediate factors to two or three great companies, some of them so large in their ramifications that they will reach into every market in the United States, with considerable exports abroad. The natural tendency of these great intermediate corporations can not but result in economies, such as elimination of overhead, reduction of administrative, elimination of price cutting, establishment of better credits in order that returns on the investment to a great number of stockholders may be assured.

"On the producing end there must be evolved an organization that can speak authoritatively for the producer, that can give assurances, for instance, to the board of health, that an adequate supply will be produced to meet the requirements in the short period. They can have such facts and figures that they will know the expected production month after month that will fairly protect the producer in his efforts to obtain the cost of production plus a reasonable return. I mean this for the average producer, not for the farmer who can not manage.

"I had hoped that the great cooperative movement as represented in the Dairymen's League, could be the single agency, with an investment already in plants, etc., of between twelve and thirteen million dollars that must be protected, but it seems impossible to get the great majority of our milk producers in the league, as some do not like the name, others the officers and directors, others the contract, and some never could be satisfied unless they were running the whole show. It does seem as if for their own protection if they won't join the league, they should be willing to join some other organization and help to present a solid front for their protection and through some federated organization. I have given of my time and efforts to this end without pay and with no ambitions, personal or political, except to benefit the industry. Every student of the industry knows they have obtained greater protection because there were organizations fighting unselfishly for the industry."

Continuing, he spoke of a visit with Manager Gurnsey and others to the Reed Co. plant at Cincinnati, Cortland County, where originally there were over 30 small plants, or creameries, expensive to operate, situated in 17 different towns in four different counties with about 550 patrons. Now there is but one plant with nearly 550 patrons delivering over 50 million pounds of milk per annum. This was developed by Henry Kerr, a Delaware County man.

"Sixty-seven such plants, it is estimated, would supply the metropolitan—would supply the entire metropolitan—area with all its cream, plain, condensed, and fluid milk.

"Milk merger after milk merger all falling into the capacious paws of the National Dairy, or Borden's, or some other dairy products company.

"The time is drawing on apace when milk producers have got to feel that they belong to a common brotherhood engaged in a noble enterprise, and present a solid front. Every plant that you help produce in the New York milk shed you are going to pay for. The real economic objective is a solid front of milk producers.

"Two big plants, properly situated, after a careful economic survey, would take care of all the milk in the Delaware Valley and its tributaries from Stamford to Walton, and the same thing is true in the East Branch Valley or the Susquehanna or Charlotte Valleys.

"Producers must, distributors will, stop the wicked, wasteful duplications."

Continuing, Congressman CLARKE paid a tribute to the sincerity and scope of President Hoover's desire for a genuine farm-relief measure as apart from the socialistic price-fixing schemes embodied in the equalization fee, the debenture plan, and other uneconomic panaceas which could but result in the last estate of the farmer being worse than the first. His impassioned tribute to the President was warmly applauded. He admitted that everybody could be fooled once, but expressed a scant opinion of those who can continually be fooled by the same plan or variations of it.

He told of some of the probable suggestions for added protection in the new tariff act introduced Tuesday and closed with an earnest plea that everything be subordinated to the principle of brotherhood, to the end that the happy solution of present troubles might be a legacy for those who are to come after the present generation has finished its work.

After a discourse which was nothing if not frank and forthright, Congressman CLARKE left the hall with the statement that he would not resent being allowed to retire from the directorship, but would in that event return at the conclusion of his present duties and work faithfully in the ranks for the same principles he had espoused.

After his withdrawal, on motion he was unanimously nominated for another term to succeed himself, the entire membership rising.

BUST OF THE LATE REPRESENTATIVE MARTIN B. MADDEN

Mr. LUCE. Mr. Speaker, in accordance with the instructions of the House, the Committee on the Library has secured a bust of the late Martin B. Madden, a Representative of the State of Illinois, and it has been placed in position in the corridor leading to the rotunda, a few feet from the main doors of the House. Arrangements have been made for suitable ceremonies in unveiling the bust next Monday morning at 11 o'clock.

THE TARIFF BILL

Mr. HAWLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 2667, the readjusted tariff bill.

The motion was agreed to.

The SPEAKER. The gentleman from New York, Mr. SNELL, will kindly take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 2667, with Mr. SNELL in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 2667, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. HAWLEY. Mr. Chairman, how does the time stand?

The CHAIRMAN. The Chair is pleased to inform the gentleman that there is only one minute's difference. We will call it even.

Mr. HAWLEY. Mr. Chairman, I yield 40 minutes to the gentleman from Iowa [Mr. RAMSEYER].

The CHAIRMAN. The gentleman from Iowa is recognized for 40 minutes.

Mr. RAMSEYER. Mr. Chairman and Members of the House, we are now considering under general debate H. R. 2667, which is the new tariff bill. The Committee on Ways and Means has been at work on this bill since the first of the year. I attended all the hearings and heard nearly every one of the 1,100 witnesses who testified before the committee. After Congress adjourned the 4th of March and the subcommittees began the work of drafting the bill, I was present at each meeting of the subcommittees of which I am a member and also every meeting of the full committee. That is, you understand, the subcommittees and the committee to which I refer were composed of the Republican membership.

Naturally, I formed judgments on the various paragraphs of the bill. I intend to-day to give you the benefit of my studies on the bill and present to you the facts on some of the more controverted items of the bill.

First let me digress for a moment to make some observations on why we are here in an extraordinary session of Congress. The President of the United States in his message to Congress in the first sentence says:

I have called this special session of Congress to redeem two pledges given in the last election—farm relief and limited changes in the tariff.

In the middle of the first page of his printed message I read:

The general result has been that our agricultural industry has not kept pace in prosperity or standards of living with other lines of industry.

That the agricultural industry has been and is yet in a subnormal condition is conceded by all informed persons, parties, groups, and interests in the country. On page 2 of the printed message of the President I read:

The Government has a special mandate from the recent election, not only to further develop our waterways and revise the agricultural tariff but also to extend systematic relief in other directions.

The President is speaking here of agriculture. I shall attempt to discuss the facts and conditions in an impartial and nonpartisan way. I wish you could forget for the time being that you are Republicans or Democrats. If Republicans, whether regular Republicans or pseudo-Republicans. [Applause.] I wish you would dismiss from your minds altogether for the present the issue of regularity. In the consideration of important matters like this bill it is more important to be right than regular. If we can help each other to get right, the issue of regularity will take care of itself in time.

The object of this session of Congress is to elevate agriculture; that is, to place agriculture on a parity with business and industry. But for the conceded subnormal condition of agriculture we would not be in session to-day. The economic condition of no other industry would have justified the President in calling an extra session of Congress. This Congress will be judged in its tariff legislation as to whether on the whole the rates in the bill are just to agriculture. In other words, we should ask ourselves the question in passing upon this bill whether the benefits we undertake to confer upon agriculture in our readjusted tariff rates outweigh the burdens imposed upon agriculture by such rates. Now, I wish to be perfectly frank in this discussion. There are some burdens in this bill imposed upon agriculture and consumers generally which I hope to see corrected either in this House or in the Senate before the bill is placed before the President.

Another thing I want to say before I undertake to discuss the schedules in this bill. On page 4 of the printed message the President says:

With some exceptions our manufacturing industries have been prosperous.

Manufacturing industries have been and are prosperous. This is a matter of general knowledge, and is also borne out by the increased income taxes that are being paid into the Treasury this year over last year. Nothing would benefit the manufacturing industries more than to bring about a condition which would increase the purchasing power of the American farmers. If the purchasing power of the American farmers could be increased as much as, or as little as, either way you want to put it, 10 per cent, it would mean more in the way of business and profits to the manufacturing industries than any tariff readjustments proposed for the benefit of those industries.

We are not here asking for anything but justice to the American farmers.

We are here, and let me impress this upon your minds, to carry out campaign pledges to elevate agriculture on a level with industries and business. Here we have agriculture on a platform that is lower than the platform on which business and industry are. We want to raise this agricultural platform up to the level of the industrial platform. Now, what benefit will it be to agriculture if we elevate the platform on which it rests and at the same time elevate to the same extent the platform on which industry rests?

With these things in mind let us proceed to discuss the bill before us.

Before taking up Schedule 7, the agricultural schedule, let me make a general observation as to the other schedules. I shall first eliminate those schedules that I do not propose to discuss: Schedule 6, tobacco; Schedule 8, beverages; Schedule 9, cotton; Schedule 10, flax and hemp; Schedule 11, wool; Schedule 12, silk; Schedule 13, rayon; and Schedule 14, paper. I think they are in reasonably fair condition.

During the campaign last fall it was admitted that the textile industries needed some help. The bill undertakes to give such help and makes some increases in duties, but the increases are not large and do not apply to the entire textile schedules, except the woolen schedule, where the duty on raw wool was increased from 31 to 34 cents per pound on the clean content, which made it necessary to increase the compensatory duties on the manufactures of wool because of the increased duty on raw wool.

Besides Schedule 7, I intend to discuss some items in Schedule 1, chemicals and oils; Schedule 2, earthenware; Schedule 4, wood; Schedule 5, sugar; and Schedule 15, which is the sundries schedule.

Another thing I wish to call to your attention before I start on the agricultural schedule is that on the surplus crops it was the opinion of your committee that very little aid could be given by increasing the duties, and if you will read Schedule 7 you will find that but few changes in rates are proposed on agricultural crops in which there are surpluses. There are two ways the committee had in mind by which assistance could be given to surplus crops. One was to encourage a shift from the surplus crops to the nonsurplus crops. We had that in mind when we increased the duties on flaxseed, soy beans, vegetables, and on some other agricultural products. If these duties have the effect the committee thinks they will have it will mean an increased production of nonsurplus products and a decreased production of the surplus products. The second way by which surplus crops can be helped is by the agencies to be established through the farm relief bill which recently passed the House, and which I hope will be law before long.

The Republican members of the Ways and Means Committee are holding hearings on some of the items in Schedule 7 and other schedules, and I probably should have deferred my speech until those hearings are completed, but since I have the floor I shall take up a few of the items appearing in the agricultural schedule and refer to them briefly.

There is some dissatisfaction with the rates proposed in paragraph 701 of this schedule because the duties on stockers and feeders were not increased. We did double the duties on beef and veal. The latest figures I can get on the importation of cattle from both Canada and Mexico are, that last year from Canada there were 166,000 head of cattle and 76,000 calves imported, making a total of 242,000. Up to date and since the first of the year 1929 there have been only about three-fourths as many imports of cattle from Canada as there were during a like period a year ago.

From Mexico last year we got 256,000 head of cattle, which was a larger number than in 1927, but the imports of cattle from Mexico were stimulated by the revolution in Mexico on account of the cattle owners who wanted to get their herds out of there into a place of safety. I understand that right now some American owners of cattle ranches in Mexico are driving their cattle over into the United States, and it may be that during this year we will have a larger import from Mexico than we had last year, but such imports will likely be very much less for 1930 and subsequent years.

We raise a lot of feed, and the committee had in mind that some of these stockers and feeders that come in, especially from Canada, are brought in for the purpose of eating up our surplus corn. In the northern part of my State I know stockers and feeders come in from Canada as well as from the range States out West. Speaking for myself, I could not see that 400,000 or 500,000 heads of cattle, most of which are brought in to eat up our surplus feed, would result in injury to our cattle raisers. Cattle raising is more largely carried on in the so-called range States than in the corn States. In the corn States we must get cattle in from the West or the range States to eat up our surplus corn and other feeds that go to fatten cattle.

Another thing we learned was that the selling price of these stockers and feeders in Canada, when you add the present duty of 1½ cents and 2 cents, depending on the weight, usually raises the price of such cattle above the price that similar cattle sell for in the United States—that is, stockers and feeders—at the same time.

I have figures here, furnished by the Tariff Commission after considerable study, which I shall be pleased to put in the Record. On the other meats we adjusted duties, using beef and veal as the basis, some of which can be justified on account of competitive conditions or the difference in costs of production here and abroad, while others can not be justified on that basis.

In the administrative part of this bill there is a provision to prohibit the importation of meat animals and the meat of such animals from foreign countries where the foot-and-mouth disease prevails. This will operate as an embargo against such animals and meats coming into the United States from Argentina and a number of other foreign countries.

Now, the butter paragraph, 709. In the tariff act of 1922 the duty on butter was 8 cents per pound. On April 5, 1926, the President raised the duty to 12 cents per pound, and the committee left the duty at 12 cents. The duty on butter was raised from 8 cents to 12 cents on the basis of competitive conditions in the United States and in Denmark, which at the time was the chief competing country so far as butter was concerned.

Since this duty was changed by the President the importation from both Denmark and Canada has greatly decreased. The importations seem to have kept up pretty well from New Zealand. New Zealand presents a condition upon which we were unable to get accurate data either as to selling price or as to costs of production.

Butter substitutes carry the same rate of duty as butter. My own individual judgment is that the proposed duty on butter is fair. You can steep the price of a necessity just about so far, and when you get beyond that point you are driving the people to substitutes. There is some danger in getting the price of butter too high—and butter has been bringing a good price for the last two years; there is no question about that. The people can be driven to substitutes, and if they once start in on substitutes they may begin to like them and continue to use them even though the commodity in which we are very much interested may come to a lower price.

Canada solves her butter-substitute problem by prohibiting by law the manufacture of butter substitutes, and also prohibits the importation of such butter substitutes. To consider legislation along this line is not within the jurisdiction of the Committee on Ways and Means.

Taking butter as a basis, we readjusted the duties on cream and milk and related products on the basis of 12 cents on butter. I think they were figured out quite accurately; if not, and we can be shown where any of these duties are out of line, I am sure the committee will be pleased to propose corrective amendments.

Another thing on which there is controversy is flaxseed, paragraph 760. After we had held our hearings, and after the committee started to write the bill, the Tariff Commission sent its report on its flaxseed investigation to the White House and we had that report.

This report, without going into the details of it, fixes the differences in cost of production of flaxseed in the United States and Argentina and the costs of getting the flaxseed of this country and Argentina to New York City.

Flaxseed is raised in Minnesota and in the Dakotas, and the chief competing country is Argentina, and counting the freight rate from Argentina to New York and also from the West to New York, it figures out 56 cents per bushel as the difference in cost of getting flaxseed to New York, and although there was a demand for a higher duty, with the information we then had, at least, the committee felt we were not justified in adopting any other rate, either lower or higher than 56 cents per bushel as proposed by the Tariff Commission.

Yesterday, I learned from the papers that the President, by proclamation, fixed the duty on flaxseed at 56 cents per bushel. He could have gone up, under the law, as high as 60 cents, as the present rate of duty is 40 cents per bushel.

There are other matters in the agricultural schedule which are the subject of some controversy and on which the committee is now holding hearings, and before I get through if there are any inquiries in regard to other parts of the agricultural schedule I shall be pleased to yield for questions. Before leaving this schedule I want to say that, on the whole, the rates proposed on farm products confer material benefits on the agricultural industry.

I want to go now to schedule No. 1, chemicals and oils.

Agriculture was here and not only asked for increases of duties on items in schedule 7, which is purely an agricultural schedule, but schedule No. 1, which is the schedule on chemicals and oils and the oil question, and the casein question come in here.

Taking first the casein, the committee has given this most careful attention. Although I am not on that subcommittee, I gave casein as much consideration as any other item in the whole bill.

Casein, about 85 per cent of it, is used in paper manufacturing, and the other 15 per cent is used in the manufacture of glues and sprays and imitation ivory. The barrels of the fountain pens that most of you have are made out of casein.

Mr. JOHNSON of Texas. Tell us what casein is.

Mr. RAMSEYER. Casein is a product from skimmed milk. It is a product somewhat akin to cheese. It goes through a coagulating process just like cheese, and in this country this coagulation is effected by applying rennet or acid to the skimmed milk, but unlike cheese it is skimmed milk only that is used in the manufacture of casein, whereas in cheese the whole milk is used.

The question of competitive use is not so much at issue here, but the quality, as between the Argentine casein and the casein made in the United States. From the standpoint of raw material, the standpoint of production, and the standpoint of im-

portation, casein presents a perfect tariff problem. A lot of our skimmed milk goes to waste. We produce 21,000,000 pounds of casein a year. We import 28,000,000 pounds a year. The duty now is 2½ cents per pound. It is a fact, as has been stated here, that the bookmakers will pay more for the Argentine casein than they will for the American casein, because they claim it is of a higher quality. They concede that California makes a limited amount of casein that grades up as high as the Argentine casein.

I do not see any reason in the world why we in this country, with the application of a little brains and skill, can not develop a casein of as high quality as the casein developed in Argentina.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. RAMSEYER. No; I can not yield now.

Now, whether an increase in duty will stimulate our producers of casein to make a higher quality of casein, of course, I can only conjecture.

I am inclined to think it would. I have had representatives of the dairy interests to see me before and since the tariff bill was reported. There was one from Minnesota, one of the leading men interested in the dairy products of the Northwest, and I told him if he could give the House and Congress the assurance that they could and would produce as high a quality of casein here as was produced in the Argentine they would help their cause for an increase of duty on casein more than anything else that they could do around here.

So there is the casein situation. I am not here to-day to advocate what the rates should or should not be, but I am trying to give you the facts and let you arrive at your own conclusions. I think I have stated the facts relative to the casein problem fairly and squarely.

Now, on oil. We consume in this country something like 600,000,000 gallons of coconut oil; about half of that is crushed in this country from copra; 76 per cent of this copra comes from the Philippine Islands. The other half of the coconut oil is imported, and 99 per cent of that oil comes from the Philippine Islands. About two-thirds of this oil is used in the manufacture of soap.

We were presented with a proposition to put a duty on the oil from the Philippine Islands. We were asked to put a duty on the oil and on the sugar from the Philippine Islands or to place a limitation on the importation of these products. That brings us squarely up to our relations with the Philippines. There are two honorable courses we can pursue toward the Philippines and our other island possessions. One is that so long as we insist on holding them we should allow them the freedom of trade with us. [Applause.] The second is that when the competition from the island possessions becomes so burdensome that we can not stand it any longer we should give them their independence. [Applause.]

On the broad grounds of political morality I can not see how we can take a half-way course between the two that I have stated to you. Three or four weeks ago, in talking with one of the officials high in the councils of one of our leading farm organizations, I stated to him the tendency of the committee on these propositions and told him the two courses open before us. He said that his organization had never taken a very definite stand on that; that they were strongly for a duty or a limitation on the products from the Philippine Islands, but if I was correctly stating to him the attitude of the committee, that hereafter his organization would come out boldly for Philippine independence. I told him that that was his right as an American citizen, and as far as I was concerned I could not see how we could take any other except one of the two courses that I presented to him at the time, and which are the same two courses which I just presented to you.

Now there are a few items in Schedule 2, earthenware, and glassware, to which I wish to call your attention. You will find in this bill that a number of building materials have either been taken off the free list and put on the dutiable list or the duty has been increased.

In Schedule 2 the amendment to paragraph 201 takes common building brick off the free list and imposes a duty of \$1.25 per thousand. That was put on to meet conditions in a small area about New York City. The imported bricks compete with brick manufacturers up the Hudson River. The brick makers up the Hudson still use the hand molding process. They say that the dirt is of such a character that they can not use the molding machines. The imported bricks are machine made. At any rate you have the duty on brick, which is an important building material.

The next building material included here is the item of cement. That covers a larger area. They claim that it will

only affect the Atlantic seaboard and probably San Francisco. I do not believe it. I believe that if you place a duty on cement it will tend to elevate the price on the Atlantic seaboard and in turn to elevate the price all over the country. I will tell you why. There is not a business in the United States in which there is a closer community of understanding than in the cement business. I know the competitive conditions in the Middle West, and if you buy from a cement plant 30 miles away or 300 miles away you will pay exactly the same price. Nearly 60 per cent of the cement produced is consumed by farmers and for road building. There are extensive programs of road construction under way in both the West and South. If we put a duty on cement and the price of cement goes up, everybody will lay it on the duty. If you put a duty on cement and the price of cement does not go up, you will not be able to convince anybody that cement would not have been cheaper if the duty had not been imposed.

There is your cement proposition in a nutshell. The question of labor does not come in here so much, because the digging up and manufacture of cement is largely a machine operation.

There are other things here which I wish to refer to. In paragraph 202 there is a little joker that not even the Democrats have yet discovered. In the last sentence of the paragraph you will find the quarry tiles provision inclosed in heavy brackets which means that they are eliminated. The present duty is 3 cents per square foot but not less than 30 per cent ad valorem. It looks as though they had gone out, and as far as the casual reader would know, they might have gone on the free list. The truth of the matter is, cutting them out there they slip up in another sentence where the duty is higher and raises the specific duty from 3 to 10 cents, which is over 200 per cent increase, and the ad valorem limit is raised from 30 to 50 per cent or an increase of 66 2/3 per cent. The truth of the matter is that quarry tiles, those imported from England, sell for more in this country than the domestic tile of the same kind.

Window glass is in this schedule, paragraph 219. I made some study of that. On one basis of figuring the increases can be justified. There are three processes in making window glass. One is the Libbey-Owens. The factories using this process are making money hand over fist. Another is the Fourcault. Both the Libbey-Owens and the Fourcault produce window glass by the sheet-drawn process. The second process is the machine cylinder blown, and the third the hand blown. The hand-blown process is not used in anything any more except in the manufacture of perfume bottles. The machine cylinder blown process is an antiquated and expensive process as compared to the sheet-drawn process. The machine cylinder blown process will have to be scrapped, and they are scrapping it.

The report of the Tariff Commission on window glass, which found the cost differences that the Ways and Means Committee adopted to raise the rates in this paragraph, are based on cost differences in 1926, three years ago, and include costs of both the up-to-date and the antiquated processes. In 1926 in this country 59.2 per cent of the window glass was made by the machine cylinder process and in 1928 only 36.7 per cent was made by this process. The other processes are increasing; that is, the up-to-date methods. The Fourcault is the Belgian method, on which there were Belgian patents. These patents expired in 1927, and now anybody in the United States can use the Fourcault process, which is nearly as effective or as good as the Libbey-Owens process. In 1926, 10.1 per cent of the glass was made by the Fourcault process. In 1928, two years later, 25.6 per cent was made by that process. Take the Libbey-Owens system. In 1926, 28.7 per cent was made by the Libbey-Owens process and in 1928, 37.7 per cent, whereas in 1926 about 38 per cent was made by the Libbey-Owens and the Fourcault processes. In 1928, 63 per cent was made by the Libbey-Owens and the Fourcault processes, and I am told by men who are informed that in another two years' time probably from 80 to 90 per cent of the window glass manufactured in the United States will be made by these up-to-date processes. On the basis of costs of producing window glass by the Libbey-Owens and Fourcault processes, the proposed duty should be materially lower.

The issue of improved process arises also on the manufacture of earthen tableware. Those people were before us. They made out quite a story as to their distressed condition, and afterwards we learned of improved process used in the manufacture of earthen tableware. In all of these earthenware factories they used to burn tableware, and so forth, in beehive kilns, which had to be built up, and you folks who have seen such kilns have some idea of what they are. They put the fire in and burned it for 72 hours, then extinguished the fire and took out the ware from the kiln. In 1925 they first began to use the tunnel-kilns process, a tunnel running into the earth

two or three hundred feet, with different degrees of temperature along the tunnel. They push in one car right after the other, laden with wares ready for the kiln, going through slowly, of course, and in 48 hours the car passes through. It is a continual process, and there is no building up of the beehive kiln and tearing it down again; and the facts that appeared before our committee are that those who have gone to the tunnel-kiln process, with a saving of from 10 to 12 per cent, and sometimes more, over the old process, are running full time with good profits.

Mr. MURPHY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The gentleman declines to yield at present.

Mr. RAMSEYER. I am informed by those who are familiar with this business that the beehive-kiln process is as surely doomed by the tunnel-kiln process as the top buggy and the spring wagon were doomed by the automobile. For these reasons the increased duties on earthen tableware are not justified. These are just a few things that I wanted to call to your attention in Schedule 2. There are other rates in this schedule that are subject to just criticism.

As to the metal schedule, I have not a great deal to say, except that there are places in the metal schedule where a reduction of duty could well have been made. There are some increases there. It is true that most of them are not very large, but larger in some instances than necessary. The proposed duties on watches and clocks are too high. In the debate here we have heard talk about hoes and rakes. Those are smaller items, but gentlemen who insist upon duties on these items simply do not give sufficient weight to psychological considerations. In writing a tariff bill we should propose rates that are economically sound and at the same time exercise some degree of political wisdom and sense.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HAWLEY. Mr. Chairman, I yield 30 minutes additional to the gentleman.

Mr. RAMSEYER. I come now to the lumber schedule; that also is building material. About 50 per cent of the lumber is used on the farms. The cities, of course, have gone more and more to fireproof material. The greatest lumber production is in the State of Washington, around Puget Sound. Their competition is from British Columbia.

There is a duty on logs now of \$1 per thousand feet. That language has not been changed. However, there is a provision in the bill that permits a considerable importation of logs free. That provision has been cut out.

Now they claim it costs more to produce logs in the State of Washington around Puget Sound than it does up in British Columbia. I call your attention to the first part of this chart [indicating]. The table on the chart is as follows:

Logs	
(Fir, spruce, cedar, and western hemlock)	
	Feet
United States production	3,000,000,000
United States imports	177,000,000
United States exports:	
Cedar logs	261,520,000
Fir logs	34,483,000
(99 per cent of cedar and 78 per cent of fir exported to Japan.)	
Canadian exports to Japan:	
Cedar	104,390,000
Spruce	177,000
All other	18,234,000
Total	122,701,000
Lumber	
United States lumber production:	
Softwoods	30,186,402,000
Hardwoods	6,393,700,000
United States imports from Canada:	
Softwoods	1,592,971,000
Hardwoods	69,183,000
United States exports to Canada:	
Softwoods	70,786,000
Hardwoods	85,561,000
Shingles	
United States production	6,634,000,000
Canadian production	3,029,000,000
Imports to United States	2,424,000,000

Here are logs, fir, cedar, and hemlock. The United States production of fir, spruce, and western hemlock logs was 3,000,000,000 feet annually. The United States imports were 177,000,000 feet. These figures all indicate annual production. The United States exports: Cedar logs, 261,520,000 feet; fir logs, 34,483,000 feet. Ninety-nine per cent of cedar and 78 per cent of fir were exported to Japan. Now, let us take the Canadian exports to Japan. They were: Cedar, 104,390,000 feet; spruce, 177,000 feet; all other, 18,234,000 feet, or a total of 122,701,000 feet. As to lumber: United States lumber pro-

duction, softwoods, was 30,186,402,000 feet; hardwoods, 6,393,700,000 feet.

Here is Puget Sound [indicating], and here is Vancouver, alongside each other, the same distance from Japan. Yet we in the United States sell to Japan more logs than Canada does. Now, if Canada's cost of production of logs were so much less than the cost of production in the United States you can readily see that instead of our shipping twice as many logs to Japan as Canada does the situation would be reversed.

The bill proposes a duty on cedar lumber. As given here, the total annual production of lumber, softwoods, is 30,186,402,000 feet and hardwoods 6,393,700,000 feet. The United States exports to Canada, softwoods, 70,786,000 feet. You see we import a great deal more than we export.

There is another paragraph in the bill imposing a duty on hardwoods. Of hardwoods we export to Canada 85,561,000 feet and import from Canada 69,183,000 feet. The figures on this chart need no further amplification.

On the shingle proposition we have all heard a great deal about the distress in the shingle industry in Washington. We import a great many shingles from Canada, as the figures here will show; first our production, Canadian production second, and imports into the United States.

I started in with this hearing thinking the shingle industry was in great distress. I think that following the war the shingle industry, like many other industries, was in distress. In Canada the shingle industry went through a period of distress just as it did in this country. Mr. Bloedel, of Washington, who is a resident of Mr. HADLEY's own district, a lumberman for many years, came before us. I listened to his testimony, and when he came on, of course, I thought he would be for a duty on shingles. It turned out afterwards that he was not. There seemed to be a disposition to discount his testimony because in 1925 he went to Canada and bought a bankrupt shingle mill and put it on its feet. He has shingle mills in Washington as well as lumber mills. He has no lumber mill in Canada, according to his own testimony. I asked Mr. Bloedel some questions. I said:

There was a good deal said about the distressed condition of the shingle mills in Washington. Just what is the trouble with the shingle mills in Washington?

Mr. BLOEDEL. I think their whole trouble was in the past. They were suffering from the period of postwar inflation, and the reconstruction that was necessary afterwards. It has been gotten out of their system entirely, and for the last year we have had better prices, and profitable prices. Prices have gone up \$1 per 1,000 on XXXXX, and \$1.25 per 1,000 in the last year, and on this basis they are profitable.

Mr. RAMSEYER. Do I understand you to say that the shingle mills of Washington are back on their feet again?

Mr. BLOEDEL. Yes, sir; they are.

Mr. RAMSEYER. And they do not need this tariff on shingles?

Mr. BLOEDEL. They do not.

Right here, before I forget it, I want to tell you that during the last year prices of lumber all over the country have been increased. I do not know whether you want to take that into consideration in selecting a real fitting time to put a duty on lumber and shingles. I read further from the hearings:

Mr. RAMSEYER. I want to know how much less your production costs are in your Canadian mills than they are on this side of the line in Washington.

Mr. BLOEDEL. You want to know that as to the shingle mills, Mr. RAMSEYER?

Mr. RAMSEYER. Yes.

Mr. BLOEDEL. I have no comparable lumber mills of my own, but I have a shingle mill.

Mr. RAMSEYER. All right.

Mr. BLOEDEL. My production cost in Canada in the shingle mill was \$2.91 per thousand of shingles for all the shingles I made in the year 1928. My production cost in Bellingham, which is just 20 miles south of the line and only 40 miles from the other mill, was \$2.45.

Mr. RAMSEYER. \$2.91 in Canada?

Mr. BLOEDEL. \$2.91 in Canada and \$2.45 in the American mill. Those are my last year's figures.

Mr. RAMSEYER. And you used the same system of computation in both places?

Mr. BLOEDEL. The same system of computation exactly. I must make this qualification. The shingles in Canada were of a higher grade than the shingles made in the United States. That is a difference in material. It is not a difference in labor or supplies. The amount of labor that went into the shingles was the same, but we made more XXXXX's and perfections and less clears and stars. On the American side we made more of the clears and stars and less of the XXXXX's and perfections. That was the difference. The reason we do that is because our timber and the method of manufacture is best adapted on each side

for that purpose. We make the cheaper shingle on the American side because it is more or less in the nature of a by-product.

It is a fact known to the lumber interests all over the country that Canadian shingles sell for more in the American market than the shingles made in the State of Washington.

So much for this lumber proposition.

Mr. HADLEY. Will the gentleman yield?

Mr. RAMSEYER. For a correction, but not for a question.

Mr. HADLEY. Well, it is an amplification of the gentleman's statement. The gentleman is leaving this matter, and that is the reason I have interrupted him.

Mr. RAMSEYER. I yield to my colleague if he insists.

Mr. HADLEY. I simply want to call the gentleman's attention to the fact that he has selected a witness on that subject who admitted, upon cross-examination, that before a duty was put on logs he went to British Columbia and made a large investment in timber, and that after a duty was put on logs in 1922 he went there for the purpose of manufacturing not only shingles but also lumber, and upon examination it developed that his Canadian interest was such before the tariff that he had to build in order to meet the situation under his previous investment; is not that the fact?

Mr. RAMSEYER. I stated before I went into this that his testimony would probably be discounted by some because he had Canadian interests. However, he did not get his shingle mill until 1925. He bought a bankrupt shingle mill up there just as he could have bought a bankrupt shingle mill in the State of Washington.

Mr. HADLEY. Is it not true that he has a big investment in Washington which he has carried for a great many years, to my knowledge, and also an investment in British Columbia, so that his cost of production, involving as it does his investment in standing timber and the carrying charges on it, could be set at whatever figures he chose, and is it not further true that he is the only witness who appeared on the subject that made any such contention; is not that true?

Mr. RAMSEYER. There were other witnesses from the Pacific coast who advocated free lumber and shingles. If Mr. Bloedel had logs up in Canada, why did he not send them to Japan and undersell our logs if the cost of production in Canada is less than here?

Now I want to say just a few words about the sugar schedule and give you my reaction on it. I have a chart here. I do not know whether you can see it, but I am not going to refer to the figures very much. The table on the chart is as follows:

Sugar production

Year	United States				Total, islands (Porto Rico, Philippines, Hawaii, and Virgin Islands)
	Beet		Cane		
	<i>Acres</i>	<i>Short tons</i>	<i>Acres</i>	<i>Short tons</i>	<i>Short tons</i>
1911.....	474,000	600,000	310,000	342,720	1,184,039
1914.....	483,000	722,000	213,000	292,698	1,357,070
1918.....	594,000	761,000	231,000	243,600	1,511,429
1921.....	815,000	1,086,000	226,000	169,116	1,347,259
1924.....	815,000	882,000	163,000	162,024	1,569,028
1925.....	647,000	1,091,000	190,000	88,482	2,095,327
1926.....	677,000	901,000	128,000	139,381	1,891,119
1927.....	721,000	987,000	80,000	47,165	2,103,804
1928.....	644,000	1,081,000	138,000	70,792	2,287,177

This chart shows the beet-sugar production in the United States, the cane-sugar production in the United States over a number of years, and also the sugar production in our island possessions. There were two reasons urged before the committee to justify an increased duty on sugar. One was that the beet-sugar growers were not getting enough for their beets. Well, if that is the case, any additional duty would help. The argument that was most stressed in justification for an increased duty on sugar was that we should produce all the sugar we need in the United States so that in case of war we would not be dependent upon other countries for our supply of sugar. Now, the question arises, will this increased duty on sugar expand the sugar area in the United States? The people of the United States consume between five and six million tons of sugar annually. The chief obstacle to the expansion of the beet-sugar area is the labor. At least, I can not escape from that conclusion. It appears that up to date the laborers employed in the sugar-beet fields have been largely Mexicans and other foreigners. The nature of the tasks to be performed requires the laborers to get on their hands and knees to thin and weed the beets. This is a kind of work to which American labor does not take to with any enthusiasm.

The sugar duty was increased in 1922. Sugar is cheaper now than it was in 1922, but it is not because of the duty or because of increased production in the United States but because of the unusual situation in Cuba, a world overproduction of sugar. I understand that sugar now comes into New York at \$1.95 per hundred pounds. The sugar experts who were before us gave it as their judgment that sugar was bound to go up in the next year or two, increase or no increase of duty. Now, will an increased duty expand our beet-sugar area? On this chart you will see that as to beet sugar we had in 1911 477,000 acres, with 600,000 tons; in 1924 we had 815,000 acres and 882,000 tons; in 1928—this whole table will appear in the RECORD—644,000 acres and 1,081,000 tons.

Now, as to cane sugar, you will notice that in the next to the last year there were only 47,165 tons produced, while back in 1918 there were over 200,000 tons produced, and last year the production was only 70,792 tons. The only place in the United States where sugar cane can be grown to any extent is in Louisiana. They have a disease which afflicts the cane; I believe they call it the mosaic disease, which up to date they have been unable to control. No one advocates that you can control disease by an increased tariff. For the present, increased production of cane sugar is out of the picture. So the question presents itself, Will you increase the beet-sugar area by steeping the duty to the amount that is recommended in this bill? And, if so, are you willing to pay the price? The consumer has to be taken into consideration. The farmers are the largest per capita consumers of sugar in the United States. Sugar produces energy, and the fellow who works can consume more sugar than the fellow who does not. They not only consume sugar for day-by-day table use but they carry on large canning and preserving operations for family use.

I do not know whether I will say any more about sugar production in the United States. I have presented the facts, from which you can draw your own conclusion.

Now, another thing I wish to call to your attention is that if this increased duty does not enlarge the sugar acreage in the United States you will have just one other effect, and only one other effect, and that is you will by increasing the duty stimulate sugar production in our island possessions. Of course, the Timberlake program, which calls for 3-cent sugar, also calls for a limitation on the importation of Philippine sugar, but I think it will be the policy of the Congress not to place a limitation on the importation of Philippine sugar. We may in a few years give them their independence. I do not know about that. In Porto Rico and Hawaii the acreage can not be extended very much. The Philippines, however, can expand their sugar acreage very materially. That is the picture.

Now we come to blackstrap.

Mr. WOODRUFF. Before the gentleman leaves that will he yield?

Mr. RAMSEYER. If I can get additional time, after I am through I will gladly yield, but if I yield on each controverted issue under discussion my time will have to be greatly extended. I hope the gentleman will excuse me for the present.

Mr. WOODRUFF. I will say to the gentleman I was not proposing to enter into a controversy with him. I wanted to aid the gentleman in getting his ideas before the Members of the House.

Mr. RAMSEYER. Well, I am getting my ideas before the Members of the House in a rather feeble way, I admit. [Laughter.]

Now, here is your blackstrap: Blackstrap is imported from Cuba and Porto Rico, chiefly from Cuba, and in increasing quantities, for the manufacture of alcohol. Blackstrap has ranged from 3.7 cents a gallon to 12 cents a gallon since 1922.

It is proposed by those who favor an increased duty on blackstrap that if we get the price of blackstrap high enough it will let corn into the manufacture of alcohol and we can consume 35,000,000 or 40,000,000 bushels of corn for that purpose.

Depending upon the price of blackstrap—ranging from 6½ cents to 9½ cents per gallon—it costs from 25 cents to 33 cents to make a gallon of alcohol from blackstrap. On the basis of corn, figured at from 70 cents to 90 cents per bushel, it costs from 37 cents to 42 cents to make a gallon of alcohol from corn.

If this were the only thing before us—blackstrap on the one hand and corn on the other—it would simply be a question of how much, in addition, we would be willing to pay for our alcohol; impose a tariff on blackstrap accordingly and keep out the blackstrap and let in the corn.

We consumed in the United States last year about 90,000,000 wine gallons of alcohol industrially. Back in 1911 and 1912, when we produced more than at any other time for drinking purposes, we consumed about the same amount. Of this 90,000,000

gallons of alcohol, 40,000,000 is used as antifreeze and goes chiefly into automobile radiators, 25,000,000 gallons is used in the cellulose industry, 8,000,000 gallons in shellac and varnish, 5,000,000 gallons in toilet and perfume preparations, and from 10,000,000 to 15,000,000 gallons in miscellaneous uses. These are the uses of alcohol.

After the hearings were closed the committee was confronted with another difficulty, a difficulty which is minimized by some and I presume exaggerated by others. Now, bear in mind that the cost of making alcohol from blackstrap is from 25 to 33 cents per gallon, and from corn from 37 to 42 cents per gallon.

I have in my possession here a statement from a chemist in the service of the Tariff Commission in regard to synthetic alcohol. He claims that synthetic alcohol is a reality and that it can be produced from three raw materials, to wit:

First. Calcium carbide.

Second. Natural gas.

Third. Ethylene from blast-furnace gas.

We have reliable information that there is one plant now making synthetic alcohol, located in West Virginia, which got a permit from the Prohibition Commissioner in the latter part of April to make this alcohol during the month of May. It may be that by the 1st of next month this company will give us the benefit of their experience in making synthetic alcohol. It is estimated that synthetic alcohol can be made from these raw products which I have just given you at a cost of 36 cents a gallon.

If synthetic alcohol is a reality and not a dream or a bluff, as some think, then you can readily see that in steeping the duty on blackstrap molasses to let corn in, before you reach the corn you would reach the synthetic alcohol, and this is the problem that has been perplexing the Ways and Means Committee.

The rate written in the bill of 2 cents per gallon on blackstrap which goes into the manufacture of alcohol is absolutely worthless. It will take at least from 6 cents to 8 cents duty on blackstrap to get corn in to compete with blackstrap for alcohol purposes, and you can not escape the conclusion that if synthetic alcohol is a reality and can be produced for 36 cents a gallon, corn will not be helped by imposing a heavy duty on blackstrap.

Now, on these controversial matters my mind is still open. I want to help corn, but we must give some heed to the testimony of intelligent and disinterested witnesses. I have not given up the fight, I am seeking for more reliable information. If any of you have information on this perplexing problem. I want it.

Mr. COCHRAN of Missouri. How about a duty on blackstrap molasses for cattle feed?

Mr. RAMSEYER. The duty on blackstrap for cattle feed remains in here the same as in the existing law, one-sixth of 1 cent per gallon.

I have just given you the problem.

Before I leave the subject I do wish to call to your attention a place where you could render a real service to corn. What I am about to suggest can not be inserted in the tariff bill under the rules of the House. However, inasmuch as the rules of another body are much more liberal than they are here, I will make the suggestion not only for your information, but for possible guidance of that other body, and that is, the definition which the Department of Agriculture has promulgated for sugar, defining sugar as sucrose at a time before corn sugar was heard of. That department defined sugar as sucrose. Corn sugar is dextrose. We make something like a billion pounds of corn sugar a year now. We started out in 1919 with only 157,000,000 pounds of corn sugar.

Corn sugar, according to the chemists and the doctors, is as pure as the beet or the cane sugar. It is not as sweet, but for baking and ice cream, where it is used now, it is as good, and for a lot of purposes it is better than sucrose. If we can get sugar defined as either sucrose, dextrose, or levulose, we can enlarge the use of corn sugar and it will be used in the soft drinks and in the canning of fruits, and so forth. By thus enlarging the use of corn sugar, the corn-sugar industry would have use for at least 40,000,000 additional bushels of corn; that is sure. That would spell real relief for the corn farmer.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HAWLEY. Mr. Chairman, I yield the gentleman 15 minutes more.

Mr. RAMSEYER. Now just a word about tapioca. I simply want to give you the problem that confronted the committee. Since the bill was reported out I have had in my office every day either advocates for a duty on tapioca or advocates for leaving it on the free list. The question that perplexes me is

to what extent tapioca is competitive with cornstarch and other starches. I will give you what the Tariff Commission, and the corn-products people who urge a tariff on tapioca, and the interests opposed to a tariff on tapioca, agree that the percentage of the uses into which tapioca goes is correct.

As a food 20.4 per cent of the tapioca imported goes into food products. Part of this goes into tapioca pudding, and I will leave it to you whether tapioca pudding is competitive with other puddings. Tapioca is a food, and as a food it is competitive with domestic foods.

Now, in the sizing of textiles, corn, potato, and wheat starches, as well as tapioca starch, are used. Cornstarch is used to a larger extent than any other; 9.07 per cent of tapioca goes into the sizing of textiles and 33.1 per cent into wood glue; 27.3 per cent goes into adhesives, making a total in the three uses just named 69.47, leaving 10.13 per cent for miscellaneous uses. I tried to get the conflicting interests to agree, as far as they could, in what fields tapioca was competitive and in what fields it was noncompetitive. Up to date they have not come to an agreement.

I should like to see a duty on tapioca. I doubt whether the tapioca that goes into the sizing of textiles is competitive with other starches. Each starch produces a little different effect and they use the kind of starch according to the effect they want to produce on the cloth. The wood-glue people tell me that they can not use cornstarch in making wood glue. A very good wood glue can be made out of casein. Wood glue made of casein is a better glue than wood glue made of tapioca, but costs about twice as much and therefore its use has been restricted.

In the field of adhesives I think you could segregate the tapioca into competitive and noncompetitive. But that is a problem that perplexed your committee. Now, I have given you the facts. My time is about up. I wanted to discuss a number of other items, including duties on hides, leather, and boots and shoes. I must leave these subjects for another day.

Now I do not want to take up more of your time. I think I have touched some of the controversial points in this bill. I am not going to discuss how this bill should be considered and what amendments should be permitted. I leave that for another time and place. Before closing there are two things that I want to call to your attention found among the administrative provisions. I would like your special attention on these two propositions.

Take section 402 (b). Imported articles may be assessed on different values. There is the foreign value and the export value. The appraiser appraises it either on the export value or the foreign value. If he can not get that value, he goes to the United States value, which means the wholesale selling price of the foreign article in the United States. If he can not get that, he goes to the cost of production. Under the present law the appraiser selects the basis of valuation. If the importer or anybody else is aggrieved, an appeal is taken to the customs court, which, while a national court, has its chief office in New York City. In that court there may be a controversy as to the value or the basis of valuation. Suppose the appraiser appraises the imported article on the United States value and there is also a dispute as to whether the article should be valued at a dollar or a dollar and a half. Under the present law the controversy on both the basis of valuation and the value goes to the court for decision.

The proposal here is to make the decision of the appraiser final as to the basis of valuation subject to an appeal to the Secretary of the Treasury, from whose decision there is no appeal to any court.

The basis of valuation is left with the appraiser and the Secretary of the Treasury. Controversy over the value on that basis is determined by the court. I frankly do not like that provision in the bill. We have had a court there that has functioned, I think, since 1890. It has, by experience and intelligent work, developed a customs law, a law that is familiar to the business world and familiar to the importers. That court should not be restricted in its jurisdiction as proposed in this bill. An important question like the basis of valuation should not be left to administrative officers from whose decision there is absolutely no appeal. [Applause.]

The object in bringing about this change, I feel, is that there is some sentiment in the country to go on the American valuation for imported articles, which is higher than the export value, foreign value, or United States value, and a Secretary of the Treasury with the proper mental slant might force more of the imported articles up to the United States value than now come in that way under the rules and regulations and law well understood by the business world and the courts. Before this bill is finally passed I hope the committee will see fit to

reverse itself on this proposition and give the House an opportunity to vote on the proposed change.

Another thing I wish to speak of in this connection, and that is the last, is the slap and humiliation directed against the customs court. Up until 1926 this court was a board of appraisers. There was enacted in 1926 a law making this board a court. The Chief Justice of the United States, the Treasury Department, and the Department of Justice, all agreed that its duties were the duties of a court, and that it should be a court.

I shall not undertake to tell what the animus back of this is, and I think it is animus and not good judgment that has brought this about, but the proposal is to put the United States Customs Court back to a board of general appraisers. This court has done a lot of hard and intelligent work. It considers exactly the same kind of cases that the United States Customs Court of Appeals does. In fact, the United States Customs Court of Appeals can not consider any cases except those that come from the customs court, so that the lower court is as much a court as the higher court, and if we are justified in humiliating the members of the customs court by reducing this court to a board, we would be equally justified in directing a similar humiliation toward the United States Customs Court of Appeals which has its headquarters here in the city of Washington.

Mr. Chairman, this bill represents a great deal of labor. It has some good points and it has defects. It is our business in so far as we are able to do so, to cure its defects either here or in the Senate. We are all interested in that. We have worked together as a committee hard and long. It is now up to the Members of the House to address themselves in a similar way to the consideration of the bill. To approve what you can, and if you can not approve, give us something better. We invite criticism, but let that criticism be constructive. Do not just get up and criticize and philosophize and theorize, like some of my friends on the Democratic side. A few of them have been on the Ways and Means Committee for 10 or 20 years—I do not know how long. It does seem to me that men with that length of service, in dealing with tariff matters, could present here a perfect bill, according to their own views. I assure them that if they will present a bill, schedule by schedule, item by item, which they think is better than the one we present here, I, for one, will address myself to a serious and conscientious consideration of every provision in it. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. GARNER. Mr. Chairman, I yield one hour to the gentleman from Georgia [Mr. CRISP]. [Applause.]

Mr. CRISP. Mr. Chairman and colleagues, you have listened to a very able and an honest man. I congratulate the Nation that the great State of Iowa has again produced a Senator Dolliver—a man who will stand up for his convictions and try to see that tariff laws are equitable. I love the gentleman from Iowa [Mr. RAMSEYER] and I felt intensely sorry for him. I never heard him labor so uphill in my life. I listened to him attentively, and if there is a single provision in the bill that he approves, I do not know what it is. At first I did not intend to make any speech on this bill, because I realize the futility of it; but, on reflection, I have decided to talk simply for the purpose of making known my own tariff views, and to criticize some of the provisions of this bill which is primarily presented to you as a farm bill. In my discussion I am going to endeavor to be dispassionate, courteous, and to inject as little partisan politics as the method of its preparation of the bill, the history of the case, and the bill itself will permit. I agree to all of the complimentary things stated about our chairman and the Republican members of the Committee on Ways and Means—as individuals. They are delightful friends, they are my personal friends. I am delighted to be with them individually; but, collectively, when they meet behind closed doors to write a tariff, bound to secrecy, I can tell the farmers and the consuming public: Abandon hope, all ye who enter here, for the public will pay the freight. But for its being pathetic and serious, the procedure now going on in the Ways and Means Committee room each morning would be amusing. The 15 Republican members of the committee assemble, and the Members of this House, as suppliants, appear before them to crave the poor privilege of offering an amendment, begging for the privilege of having a chance to offer an amendment on the floor of this House protecting the rights of their constituents. And they are appearing before the same board that has turned them down.

Oh, you are dealing with very astute gentlemen, I will say to my new colleagues. They are not concerned about changing the provisions of this bill so far as equitable rates of tariff are concerned. I have never known a bill reported to the House that has had as much opposition from its own side as this bill.

They would not care if 25 or 30 of you bolted and voted with the Democrats. That would not be effective. They have 104 majority. They are going to give you just as little as they can to hog-tie you, and then if they have enough Members on that side to adopt a rule, a rule will come in and the House and its Members will be denied the privilege of offering and voting on amendments, and it will be put through.

Most of the nations in the world have a protective-tariff system, and the United States has one, to protect labor and our manufacturers from lower labor costs in Europe. I am opposed to having the American standard of living reduced to that of Europe and Asia. I am no new convert to that doctrine. I voted for the emergency tariff bill in 1921, and I feel that with that policy the farmers and the natural products of the soil are as much entitled to tariff benefits as the manufacturer.

I am not in favor of tariffs high enough to constitute an embargo, to give a monopoly of the American market to the domestic manufacturer, because a monopoly creates trusts and raises prices and gouges the American consumer. But I do favor a tariff not for revenue but for protection to American labor and to American manufacturers, to equal the difference in the cost of production at home and abroad; and if labor and other costs are equalized surely American ingenuity in America can compete. That kind of system protects also the great consuming mass of the people, for they have competition in the markets in which they buy.

Now, in favoring that policy for my district, I also favor it for every other section of the United States. [Applause.] I abhor sectionalism, and I thank God that we are one united, indissoluble country. [Applause.] I favor that kind of tariff for every section. But I am not for monopoly. Monopolies not only create trusts and make the American people pay an unfair price for what they purchase but they also interfere with our commerce with the other nations of the world, and it is axiomatic that neither an individual nor a nation can live to self alone. We are obliged to have social and economic relations with others, and if you have embargo tariffs you engender the animosity of the other nations of the world, and they pass reprisal tariffs, which may seriously interfere with the commerce of this nation. And, my friends, the great bulk of agricultural products are surpluses and have to be sold in the markets of the world.

In 1928 our exports were about \$5,000,000,000, the greater part being agricultural products. Our imports were a little over \$4,000,000,000, three-fourths of it being agricultural products. Now, any tariff law that creates an embargo is a serious proposition. Our able, astute business men would render a patriotic service to the Nation if they would devote their ingenuity and great brains to trying to extend our foreign trade, finding a market for our ever-growing surpluses of agricultural and manufactured products. Then they would be real patriots.

But some of our Republican friends may say that the rates in the Fordney-McCumber bill did not forbid importations. If you will examine those importations you will see that the bulk of them were of those commodities of which we do not produce sufficient to meet our demand, or which we do not produce at all, such as raw silk, rubber, tea, coffee, sugar, jute, hides, chemicals, and minerals. But we have no world monopoly in agricultural products. All the nations in the world can raise them, and if we continue to raise our tariff walls and get them so high that the other nations can not deal with us, can we hope to continue to sell to them? It is indisputable that you can not hope to sell to those from whom you will not buy. Business is reciprocal. That is worthy of your serious thought.

Now, I wanted to support this farmers' tariff bill, and hoped I could, and I hoped it would be written on the formula that I have outlined; and had it been, I would cheerfully support it. But it is a typical Republican tariff bill. The farmer is used as a smoke screen to further boost the already high tariff for manufacturing industries, and an examination of the bill will demonstrate it. The American Federal Farm Bureau estimated that under the Fordney-McCumber bill the agricultural interests, by virtue of the tariff, received \$29,000,000 benefits and bore burdens to the extent of \$331,000,000, leaving the farmer \$302,000,000 worse off under the Fordney-McCumber bill. And if you will study this bill, in my judgment, you will find the differential still against the farmer. I asked a distinguished farm leader to make an estimate for me on this bill. He agreed that the differential is greater, but said it would take weeks and weeks to do it, and said, "Why trouble about that? Because you know this bill will never become a law," and he was correct.

President Hoover called this Congress into extra session for one purpose—farm relief legislation—and one of his formulas

for farm relief legislation was a revision of the tariff on farm products so as to give the farming interests like benefits of the tariff as the manufacturers receive.

Now, let me analyze some of the provisions of this bill with that cardinal purpose in view and you be the judges as to whether or not this is a farm bill. The farmers asked for increased duties on vegetable oils. Now, I grant you freely that a majority of those competing oils come from the Philippine Islands, and I believe, just as the gentleman from Iowa believes, that as long as the Philippine Islands are under the American flag commerce from that nation should not be taxed, and I take that position notwithstanding the fact that many of my own constituents urge legislation keeping out coconut oil and copra from the Philippines. But it is not right. As long as they are under the flag their products should come in freely. I will vote to give them their independence and then vote tariffs on their products. But, my friends, there is a substantial amount of competing oils that come into this country, not from the Philippines but from foreign countries, and a higher tariff would have helped on those. Do you know who was the leading opponent of a tariff on vegetable oils? It was Procter & Gamble, who are generous and princely contributors to the Republican campaign funds. They were before the committee opposing any increase and they were also represented by very distinguished and very able and prominent Republican counsel, who did not appear before the committee but they were on the job. Now, what is the result of the committee's action as to vegetable oils? There was no increase granted on copra, coconut, peanut, or cottonseed oil but there was an increase granted on palm-leaf, olive oil, and soya-bean oil. But you know my dear friends on that committee were so solicitous for the interests of the soap manufacturers that they put a provision in the bill that palm-leaf and these other oils, when imported—except soya-bean oil—denatured and unfit for edible purposes, should come in free, and in their report they call the attention of the soap manufacturers to the fact that this provision prevents the increase from being any injury to them. You read the report and see if I am not correct.

The southern farmers were asking a tariff on long-staple cotton. The gentleman from Mississippi [Mr. WHITTINGTON], in a very able manner, both before the Ways and Means Committee and before this House, has thoroughly discussed that problem and I can add nothing to what he said. Of course, a tariff will not benefit the producers of short-staple cotton, for from 60 to 65 per cent of it is sold in the markets of the world, but the one little ewe lamb, so to speak, of the cotton farmers that a tariff would help is long-staple cotton. They appealed for a tariff. The textile interests of New England that manufacture that into cloth opposed it. They already had a high tariff on threads and cloth made out of that cotton. What is the result of this action? No increase on cotton? It comes in on the free list, but the already high rates of the textile interests on cloth and threads manufactured out of this cotton are still further raised.

I am sorry he is not here, but the leader of the farm bloc, the gentleman from Iowa [Mr. DICKINSON], yesterday told me something that had occurred in the conference before the Republican members of the Ways and Means Committee when the gentleman from California [Mr. SWING] was urging a tariff on this long-staple cotton. He told me it was stated in the committee that if we stopped buying this Egyptian cotton or put a tariff on it, England might produce in her possessions cotton that would cripple or destroy the production of cotton in the United States. Oh, gentlemen, it is sad and it is pathetic that in the deliberations of those 15 gentlemen passing on the rights of my constituents not a single Member is on there from the entire South and not one who knows anything about cotton. Is it not pathetic?

The facts are that England for 75 years has been trying to produce cotton in India, Egypt, and other places, but she has never been able to do it in sufficient amounts or quality to meet her requirements, and when cotton is high the spinners of Manchester have made up pools of \$10,000,000 and \$20,000,000 and sent the money to Egypt and India for the purpose of trying to develop the raising of cotton there. They have put in big irrigation projects, and they are raising now about 5,000,000 bales of cotton. It is short-staple cotton and inferior to ours, and the southern cotton producers are quite willing to take their chances at being put out of business by England's raising short-staple cotton; but what they do want and what they do ask is that they be accorded the same tariff benefits on cotton that the industries of this country receive. I had not intended to say this to you, but I promised the gentleman from Iowa that I would answer the unfair criticism. For a good many years on the coast and islands of my own State

and South Carolina they have produced the finest cotton the world has ever known—sea-island cotton. It was the longest staple, the strongest staple, and the representative of the Clark Manufacturing Co. before the committee said it was the best cotton. But what are the facts? Importations began to come in and the boll weevil made its appearance. The importations reduced the price. Sea-island cotton is late in maturing and the boll weevil attacks it more. In order to overcome the ravages of the boll weevil you must hasten it and try to get your crop matured before the weevils are out in sufficient numbers to eat it up. As I say, the importations of this long-staple cotton depressed the price of long-staple cotton to such an extent and weevil ravages reduced the yield so low that it became more profitable to grow the short-staple cotton. In passing let me say that at times there was 75 cents per pound difference in the price of long and short staple cotton. So the producers simply stopped raising the sea-island cotton because they could not compete with Egyptian cotton, and there is not much raised to-day in the United States.

Now, I hope the Representative of the farm bloc will read these remarks, answering the reasons given behind closed doors to the Republican members of the Ways and Means Committee as to why this long-staple cotton should not be given the benefit of the tariff.

Now, the southern farmers urged a tariff on jute. I am not going to argue it because my distinguished colleague from Georgia [Mr. Cox] thoroughly covered the case. Ludlow & Co., of New England, the owners of two big jute mills in India, opposed it, with the result that Ludlow & Co. win and there is no change in the tariff on jute.

The farmers of Florida, Georgia, and the Connecticut Valley asked an increased tariff on wrapper tobacco. The subcommittee that wrote that schedule was composed of the gentleman from Pennsylvania [Mr. ESTEP], the gentleman from Ohio [Mr. KEARNS], and the gentleman from New York [Mr. CROWTHER].

The growers of the filler tobacco in the 5-cent cigars in Ohio, Wisconsin, and Pennsylvania opposed this increased duty on the wrapper tobacco. They said it was not suitable as a good wrapper for a 5-cent cigar. Gentlemen, of the 15 Republicans on the Ways and Means Committee, there are 4 Republicans from the States opposing this increase, and not a single one on there from the two Southern States seeking it. What is the result? No increased tariff.

Let me read you from the report made by the subcommittee, the subcommittee being Mr. ESTEP, Mr. CROWTHER, and Mr. KEARNS. I read from page 62 of the report:

It is generally conceded that the shade-grown wrapper tobacco of the Connecticut Valley is of a high quality and is used largely on higher-priced cigars manufactured in the United States. Therefore, the major portion of that grade does not enter into competition with the imported Sumatra wrapper for use in the 5-cent cigar industry. * * * Therefore we can safely assume that the Connecticut Valley growers have no serious competition by reason of the importation of the grade of Sumatra used on the 5-cent cigar.

The statement of the Georgia and Florida growers of shade grown as to Sumatra entering into direct competition with their product is in all probability true—

This is the report of the subcommittee:

Is in all probability true so far as wrappers for class A cigars is concerned. * * * Therefore these producers have but one outlet, the 5-cent cigar industry.

A splendid gentleman from York, Pa., Mr. Brooks, said he represented men who manufactured 600,000,000 5-cent cigars and that 75 to 80 per cent of those cigars were wrapped in these Georgia and Florida wrappers and they were good wrappers and he had had no complaints from his customers.

Let me call your attention again to the fact that the committee itself in its report states that it is probably true that these imported wrappers give serious competition to the wrapper growers of Florida and Georgia.

What is a tariff for? Is it not to protect people from serious competition? These States have no member on the committee. What does the committee report—that Georgia and Florida did not make out their case, and no increase is granted.

There are 10,000 acres planted in growing pimentos in California and Georgia, 5,000 acres in each State. They asked an increase of 1 cent a pound on canned pimento but none was granted, although I am glad to say and thankful that they did clarify the language of the Fordney Act so that the canners of pimentos will at least get the tariff which it was intended for them to have under the Fordney bill.

Peanuts are amply provided for. The tariff rate was not quite as high as I requested in a brief and which I thought exactly equalized the cost of production at home and abroad,

but I thank the committee and I say, frankly, I think the tariff they put on is ample and affords full protection, and the rates they put on are exactly the same rates that the President put on by a proclamation raising the rates.

Perishable vegetables are given protection, but the Irish potatoes of Maine were neglected, and I think you have heard something from some very distinguished gentlemen from Maine. They are as regular Republicans as we Georgians are Democrats. They are as regular to the Republican Party as we are to the Democratic Party, but if I mistake not, I heard some dire rumbling from these standpat Maine Republicans if they did not get some tariff on Irish potatoes.

Certain southern sections asked for a tariff on pitch and tar; none was granted.

Casein, an agricultural product, I will not discuss because you are thoroughly familiar with it. It has been amply discussed before the House. Millions of pounds of skimmed milk go to waste. The western farmers requested an increased tariff. The paper manufacturers opposed this increase from 2½ cents to 8 cents. Net result, the paper manufacturers win.

Oh, these manufacturers have a fine record, they are battling about 900 per cent.

Tapioca—there is some tapioca and tapioca flour imported that a tariff might help. The corn (?) farmers were asking for it. Certain interests—I have named them so much I will not name them again—were opposing it. Net result, "Mr. Farmer, you are denied. Mr. Industry, your request is granted; no increase."

But you know the sad part about that is the committee grants an increased duty on corn from 15 to 25 cents and then granted increases on swine, practically none of either ever being imported, and therefore the tariff is ineffectual. The farmers asked for relief and they are given a joker.

Let us now see how some of the natural products of the soil were treated.

Kaolin, bauxite, fuller's earth, and many other clays abounding in the South asked for increased tariffs.

Aluminum is made out of bauxite, and aluminum to-day has one of the highest tariff schedules and is most amply protected, if it is not a monopoly.

The producers of bauxite asked an increase. What is the net result? No increase. But on certain articles manufactured out of bauxite there are some further increases granted in the already high rates, but "Mr. Bauxite Producer, you lose." The same is true of the others.

There are great bodies of manganese ore in Georgia. They sought an increase. The steel industry consumes their product, and I think everybody will agree that steel—I will not spell it—has all the tariff it needs. They opposed this increased tariff on manganese. What is the result? The steel industry wins—no increase.

The producers of graphite, 80 per cent of it imported into the United States, sought an increased tariff. Net result: You may be greatly shocked when I tell you the committee even reduced what they had from 1½ cents to 1¼ cents, when 80 per cent of it is imported.

I am just discussing this farm tariff bill. I am just showing you how this farm tariff bill will be a godsend to the farmers and the consuming public of the United States. Yes; it will not; it will penalize them unconscionably. Oh, what a joke! The farmer "asks for bread and is given a stone."

I will not discuss sugar, for you have heard enough about sugar to thoroughly understand it. Neither will I discuss raw wool. I want both the producer of sugar and wool to be given adequate protection, but in view of everything that we all know about sugar, it seems to me that it would be amply and better protected along the lines suggested by the gentleman from Wisconsin [Mr. FREAR] and not penalize the consumers, the American people, hundreds of millions of dollars. I want the wool grower to have protection, and I think a fair reading of the testimony before the committee will show that a rate of 31 cents, the present rate, is ample protection for the wool grower. I am happy to say my information is the wool growers are prosperous, and I rejoice with them.

What does the bill do? It increases the rate from 31 to 34 cents, and you know how that will affect the price of clothing.

Gentlemen, I honestly believe that if any impartial economists will study the hearings of the Ways and Means Committee on this bill they will reach the conclusion that at least 95 per cent of all the existing tariffs are ample protection if not prohibitory. There are a few items here and there where a few stray manufactured goods find their way into the United States. This is a farm relief tariff bill, to equalize the tariff for the benefit of agriculture. I have pointed out to you some of the great benefits to our industrial manufactures, but this bill

could be properly labeled a bill to plug up the holes and keep out all manufactured goods and make an embargo. That is what it is, in my judgment, but I am no prophet or the son of a prophet.

Let us now consider some of the increased burdens placed upon the consuming public, including agriculturists, by this bill: Household and kitchen utensils, fiber baskets, chairs and other articles of household furniture, surgical instruments, textiles, rope, forks, hoes, rakes, scythes (taken from the free list and made dutiable at 30 per cent), glass and glassware, buttons, sugar, raw wool, lumber, shingles, brick, cement, and thousands of other manufactured articles of necessity, both for home and farm, are given large tariff boosts, and sundry steel products coming under the "basket clause" of the metal schedule are boosted from 40 to 50 per cent. No fair student of the bill can escape the conclusion that, with the increased tariffs granted on manufactured articles, the farmer and consuming public will receive no benefits from the bill; but, on the other hand, will be further penalized by it. I shall not discuss the thousands of paragraphs of the bill in detail, but there are many other items subject to like criticism as those I have dealt with.

As a Democratic member of the committee, I was given no opportunity to assist in the preparation of the bill and never saw it and knew of none of its rates until it was introduced in the House on the 7th of May, and I had no opportunity to thoroughly consider it, as it is most voluminous. An editorial from the Washington Daily News of May 10, 1929, states that the bill revises more than 1,000 rates, practically all upward, less than a hundred of them dealing with agricultural products. In some schedules, the "basket clause," which levies duties on articles not especially enumerated in the schedule, is increased; and these increases in the "basket clause" undoubtedly affect thousands of other articles imported into the United States.

You can not escape the conclusion to save your life that, if this bill becomes a law, for every dollar the farmer may get under the bill he will be penalized \$10 by paying higher prices for what he buys. [Applause.]

Do you know who is our best foreign customer for our manufactured goods? Canada. Canada is very much aroused about this duty on shingles and lumber, which they know is aimed at them. I want to corroborate the gentleman from Iowa who said that Mr. Lobdel was one of the best witnesses before the committee on lumber. He knew the business from A to Z, and he opposed any duty on lumber or shingles. But when the bill comes out there is a duty.

Gentlemen, there is one remarkable thing about this proposition. I do not know; I may be suspicious—even evil-minded, though I hope not—but there is one thing that is very noticeable to me. The committee was not concerned about the poor man that had to build a modest home. That did not bother them as to whether he had to pay an increased price for shingles and lumber; but paragraph 1804 of the free list displays a remarkable solicitude for the railroads, telephone, and telegraph companies. Section 1804 reads that railroad ties, telephone poles, and electric-line and telegraph poles of cedar or other wood shall come in free. The farmers asked a tariff on hides, but the shoe manufacturers blasted their hopes. The growers of broomcorn sought tariff protection. Their plea was denied, but the manufacturers of brooms and other brushes were granted a further increase from 15 to 25 per cent tariff. Fresh vegetables, grapefruit, flax, and a few grass seeds were given some tariff increases.

There are many other items in this bill that I could discuss, but I do not want to be burdensome and tire you. I will, however, mention a few good things in the bill for agriculture. It places calcium arsenate and fertilizer ingredients on the free list, at which I am greatly pleased. It grants an increased duty on granite and marble, which is gratifying to me.

Now, I am going to leave this so-called farm tariff bill as to rates. The gentleman from Iowa [Mr. RAMSEYER], a distinguished Republican member of the Ways and Means Committee, condemned it, and I think I have pointed out enough to show you what kind of a farm relief tariff bill it is—one that greatly injures the farmer.

While I object to many of the rates, I am frank to say my principal objection is to certain administrative features. Let me discuss two of them:

Gentlemen, I want to be serious and I would like to have your attention. The tendency of the times is to destroy the form of government contemplated by our forefathers when they wrote the Constitution of the United States, the greatest governmental document ever written by man. That Constitution provided for a dual form of government. Certain rights were reserved to the States to manage their own internal affairs and the Federal Government had only such power as the States vol-

untarily surrendered to it. The Federal Government was one of three coordinate branches, equal in jurisdiction with the powers and authority of each specially defined, and it was a government of checks and balances. The executive, the judicial, and the legislative each had a check upon the other.

By legislation we are destroying that form of government. Let me call your attention to some of the laws that do that. The Interstate Commerce Commission has destroyed the power of the State public-service commissions to regulate even intrastate rates because, they say, they are connected up with interstate rates. There may be a water-power site in your State, but if it is in any way connected with a stream that by any possibility may be construed as navigable, before it can be developed you must get a license from the Federal Water Power Commission. The Federal Radio Commission controls the air. By bureaus and sumptuary laws, private initiative and the private rights of the American citizens are being destroyed, and private business is domineered and dictated to by Federal bureaus supervised and directed from Washington. The Federal Reserve Board, subject to removal by the President, controls the finances of the Nation, and in 1920 they brought about a deflation which left agriculture prostrate, and only a few weeks ago they used that same power and brought about a deflation in the stock market that reduced the value of securities billions of dollars.

We are now considering and have before us a farm relief bill that creates a farm board, made subservient to the President and removable at will, giving him \$500,000,000 as a revolving fund, which gives the Executive tremendous power over the agricultural interests. I confess I voted for that farm bill because of the economic condition of agriculture. I know how they suffer, I know their poverty, I know their need, and I voted for it, but I have reached the limit, and have not you, my colleagues, gone far enough in that direction? Is it not time for this House to call a halt and say that you will not build up one great central Government and confer all colossal power in the Executive? This bill now before us proposes a provision to complete the job. I refer to the flexible clause, and by that the House of Representatives abdicates its power under the Constitution to originate revenue legislation, and surrenders it to the Executive. That flexible clause provides certain formulas to ascertain the valuation of merchandise. It reorganizes the Tariff Commission, does away with its bipartisan personnel, and makes it possible for it to become a partisan commission, responsible only to the President. It gives the commission power to find out in any way it pleases American valuation, competitive valuation, foreign costs, foreign costs plus transportation, plus transportation to some inland community, or to put it on the American valuation. It gives the board plenary power. It provides that when they have found the cost of this merchandise they can make a report to the President, and the President can lower or raise the rate 50 per cent.

In my discussion of these provisions let me say that I do not intend any criticism or reflection upon the President of the United States. I have the greatest respect for President Hoover. I have a real and personal friendly feeling for him. I wish his administration to be a great success. I know him to be an able, efficient, and honest gentleman. What I am saying is not intended as a criticism of him. He is human, and all human beings are influenced by environment, and in a Republic, where government of necessity is by party, we are sometimes unconsciously influenced by political exigencies. I am opposed to giving this power to any President, whether he is Democrat or Republican [applause], but this provision gives the President a right upon that finding to lower or raise the tariff 50 per cent, and under that power he can absolutely destroy any American industry by putting the valuation so low that the tariff would not protect, or he could put it so high as to make an embargo to keep anybody from coming in, even over Doctor Crewther's wall, which he said he wanted so high that if they ever did get in they would fall and break their necks.

Do you know how the present flexible tariff is functioning? It was created in 1922. They have recommended five reductions of the tariff since that time. Let me give you a little bit of the history of that section 315. When the Fordney tariff bill was written conditions in Europe were chaotic and it was conceded by all that no intelligent tariff bill could be written, and so our Republican friends determined to put the rates high enough to do the job, and then this section 315 was inserted with the idea that when the world became normal the President would have the power to reduce the rates and conversely to raise them, if justice to the American interests demanded it. There have been only five reductions under this present flexible tariff since 1922. One of them is a reduction on bobwhite quail imported

from Mexico, with no industry in the United States. Another was a reduction on wheat bran. Another was a reduction on paint-brush handles, and the request for the reduction was made by a very large domestic producer of paint-brush handles who had a factory in Canada, and he asked to have the duty reduced so that he could bring in his brushes from Canada. There was no opposition. The other two were on chemicals. Phenol was one, and I shall not attempt to pronounce the name of the other, but they are produced in enormous quantities in the United States, cheaper than anywhere else in the world. The producers asked that the tariff be reduced and the chemical industry did not object. There have been 35 increases, all on the necessities of life, and, under the leave granted to extend my remarks, I shall attach a complete history of those increases made under the flexible clause of the tariff bill.

Gentlemen, let me read you a little thing I noticed the other day about this flexible clause. This is from the newspaper here, the Washington News, dated two or three days ago. Here are the headlines:

Pennsylvania tries strategy in the fight for tariff bill. Grundy links plea for American valuation with proposal that Hoover be given more power—

You know Mr. Grundy is a very able gentleman. Then this from the body of the article:

Some of the Pennsylvanians feel that they have gained a great victory for this plan already. The administrative features of the new act, they feel, will give them almost everything they want "if it is administered by friends of protection"—which means a President and Tariff Commission committed to the duties Grundy wants.

I will attach the entire article to my speech.

Mr. SPROUL of Kansas. Mr. Chairman, will the gentleman yield there?

Mr. CRISP. Yes; but I would like to complete.

Mr. SPROUL of Kansas. Very well, then.

Mr. CRISP. Gentlemen, think what a potential power the power to make tariff rates would be in an election year, to let the President of the United States have the right to write a tariff bill! Stop and think about it. Do you think there would be any dearth of campaign contributions?

O gentlemen, you are surrendering your right under the Constitution. Our forefathers fought for that right—the right that the elected Members of the people, the Representatives of the people, should alone have to levy taxes against them. [Applause.] And here you are surrendering it; and when you have surrendered it do not expect that you will get it back soon. If you should surrender this power and should pass a law to repeal it, the President could veto it, and it would take a two-thirds vote of both branches of Congress to override that veto, and it is seldom that either of the two great political parties in our country has a two-thirds vote in both branches of Congress.

O gentlemen, do not let the political exigencies of this case induce you to permit another entering wedge into the shrine of the Government as outlined by our forefathers, under which this Nation has grown and prospered until to-day it is the most powerful, the wealthiest, and most highly respected nation on earth. [Applause.]

It is said that if you have this flexible provision you would take the tariff out of politics. No. You will just be putting it into politics. I think our Republican colleagues have done everything humanly possible in this bill to try to make it partisan and to try to make the Democrats fight it. I think you will agree with me. You gentlemen agree that the basis of taking the tariff out of politics should be logical. Go, therefore, and follow the proposition to the end and surrender all your power. Under the tariff large sums of money are raised to meet the expenditures of the Government. Still larger sums are raised from taxes, income taxes, both individual and corporate. Income-tax rates have been politics. There was as great a propaganda at one time for the Mellon bill income rates as I have known in all my 16 years in Congress. The internal-revenue rates are in politics.

Now, why do you not go to the end and say if the Secretary of the Treasury and the Commissioner of Internal Revenue, after an investigation as to the money or finances in the Treasury and as to whether the present income-tax rates on individuals or corporations are excessive or injurious to business, upon the President receiving and considering their recommendations he is hereby given the right to reduce income taxes or raise them 50 per cent? Is there not just as much logic, is there not just as much truth, is there not just as much justice in that as for you to surrender your right to make the tariff rates, which under the Constitution is vested in Congress?

There is one other provision that I want to mention, and then I shall have done. My beloved friend from Iowa [Mr. RAMSEYER] and I often think alike. He touched on that provision of the bill. I hope he will vote with me on this flexible one. The other provision of the bill to which I object is that which deals with the United States Customs Court. I have no personal interest in the judges of that court. There is but one man there from Georgia, and he is the brother of the distinguished Republican leader in this House, Mr. TILSON. Get that. One of the judges of that court is a full brother of Congressman JOHN Q. TILSON, of Connecticut.

Now what does this bill do? Those gentlemen have been functioning as Federal judges, wearing the ermine, having the respect of the members of the bar that practice before them. So far as I know, their service has been satisfactory as to valuations, tariff duties, their construction of the law, and so forth, both to the Government and to the importers. What does this bill propose to do? It unnecessarily abolishes the court. It makes them just general appraisers. It makes them mere employees of the Treasury Department. And it says that after they have made a finding as to valuations, their acts can be reviewed by the Secretary of the Treasury as to valuations, and the action of the Secretary of the Treasury is conclusive, and that the importer and the American citizen shall have no right to go into the courts of the United States to have their substantial rights adjudicated. The action of the Secretary of the Treasury is binding and final.

Oh, the proponents of the suggestion may say they can appeal on questions of law, an immaterial thing, in these cases. The all-important thing is the valuation. If you fix the value of the merchandise, it does not make much difference about the rate. That procedure denies to the American citizen the right to have the courts pass upon his rights. O my colleagues, is that American? Has not every American citizen the right to have the courts pass on his case, both as to questions of law and of fact? And let me ask you this: Is that not the entering wedge conferring upon the Executive judicial authority?

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. CRISP. Mr. Chairman, in the absence of the gentleman from Texas, I yield myself five additional minutes. Is not that the entering wedge in conferring upon the Executive judicial authority? Is not that a usurpation of judicial authority by the Executive? It is the entering wedge. If this bill should become a law or should go on the statute books, how do you think the courts of the land would construe that provision giving the Executive part of the judicial function of the Government?

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. CRISP. Certainly.

Mr. MOORE of Virginia. Can the gentleman indicate in a minute or two what reasons appeared which induced the committee to make the change he is now discussing? Had this court abused its power? Had it been dilatory in reaching conclusions or was there any other outstanding fact that seemed to warrant the radical change that is suggested?

Mr. CRISP. I can not answer my friend, the gentleman from Virginia. I sat through all the hearings but there was no reason given there, so far as I know, as to why this should be done. There was a suggestion, however, that the Treasury Department desired final authority to fix valuations as to imported merchandise.

Now, the distinguished gentleman from Iowa let drop here a thing to-day that I had never heard of before, and I know nothing of it now. He said he understood the animus back of this change. I know of no animus. I am not attributing to any of my colleagues of the Ways and Means Committee, for whom personally I have the fondest affection, because I love them all, any improper motives.

I am through, gentlemen. I have tried to present in my feeble way the so-called farm tariff bill to you. If I loved party more than my country, nothing would please me more than to see that this bill should be written into law as it is now written, for it would surely be the Waterloo of the Republican Party, and the Democrats would be restored to power. [Applause.] But thank God, my colleagues, I love my country a million times more than I do my party. My country's welfare to me is far superior to the welfare of my party, and, therefore, I hope this bill will not become a law, and I have not the slightest idea it will, because when it gets back from the Senate its authors will not recognize it. [Applause.]

Under leave granted me, I extend my remarks by inserting an article from the Washington Daily Times and a list of reports by the Tariff Commission to the President, recommending increased tariffs under section 315 of the Fordney Act.

PENNSYLVANIAN TRIES STRATEGY IN FIGHT FOR TARIFF BILL—GRUNDY LINKS PLEA FOR AMERICAN VALUATION WITH PROPOSAL THAT HOOVER BE GIVEN MORE POWER

Industrial interests, led by Joseph R. Grundy, protectionist from Pennsylvania, to-day resorted to strategy in their maneuver to write a provision for American valuation into the 1929 tariff bill.

The Grundy group linked this demand with the Tariff Commission's proposals for giving the President greater authority in the administration of the flexible tariff clauses of the bill. The latter suggestion was submitted to the House Ways and Means Committee some time ago, admittedly with the support of the administration, but it was rejected by the committee.

WOULD BROADEN POWERS

The commission's program would have empowered the President to change rates by more than the present 50 per cent, to remove commodities from the free to the dutiable list, and to use American selling costs of foreign goods as the basis for tariff increases. The latter proposal, under certain conditions, would amount to establishment of the American system of valuation.

These same recommendations, with some revisions, were outlined to-day by John E. Edgerton, president of the National Association of Manufacturers, as the demands which "the nationally organized manufacturers" will present to Congress in the coming fight. It is understood the Protective Producers' Congress, to be organized by Grundy for the tariff clash of the next few months, will campaign along the same lines.

WILL SEE PRESIDENT

It is understood to be the hope of the industrial representatives, which will use the large Pennsylvania delegation as their shock troops in the floor debate, to win support for the American valuation scheme by making it appear to be a part of the President's program. Edgerton arrived here over the week-end as a reinforcement for the battle and immediately announced he had an appointment with the President, although he made clear his engagement at the White House "had nothing to do with the subject of tariff."

Though prospects of adoption of the Grundy code seem slim, he has marshaled his lines in both House and Senate. Behind all the Pennsylvania protests on pig iron lies their demand for a change in the rating system. For the American valuation would boost rates from 50 to 100 per cent in many instances, without requiring an increase in the rates themselves.

CLAIM BIG VICTORY

Some of the Pennsylvanians feel that they have gained a great victory for this plan already. The administrative features of the new tariff

act, they feel, will give them almost everything they want, "if it is administered by friends of protection"—which means a President and Tariff Commission committed to the duties Grundy wants.

But this provision becomes effective only when it is impossible to ascertain foreign production costs by examination of books and records abroad. It is pointed out, however, that a Tariff Commission could easily consider any foreign examination unsatisfactory and incomplete, and ask the President to adopt the plan of comparing selling prices between the foreign and the domestic commodity.

List of reports by the Tariff Commission to the President under the provisions of section 315 of the tariff act of 1922 with respect to articles upon which no changes in duties have been proclaimed.

Casein: The report stated that the commission was not able, with the data available, to make definite findings.

Wall pockets: The report stated that the commission was not able, with the data available, to make definite findings.

Sugar: On June 15, 1925, the President stated that after full consideration of the facts shown in reports of the members of the Tariff Commission he did not find that differences in costs of production were sufficiently established under present conditions to warrant any change from the present duty.

Cotton warp-knit fabric, gloves of cotton warp-knit fabric: On October 3, 1925, the President stated that under the circumstances applying to the industry he did not feel warranted at that time in increasing the duty.

Linseed oil: The report was returned to the commission with request for additional information.

Cotton hosiery: Report under consideration by the President.

Halibut: Report under consideration by the President.

Logs of fir, spruce, cedar, or western hemlock: Report under consideration by the President.

Maple sugar and maple sirup: Report under consideration by the President.

Granite: Report under consideration by the President.

Oriental rugs: Investigation discontinued.

Corn: Report under consideration by the President.

Milk and cream: Report under consideration by the President.

Canned tomatoes and tomato paste: Report under consideration by the President.

Window glass: Report under consideration by the President.

List of subjects with respect to which the President has proclaimed changes in duties, under the provisions of section 315 of the tariff act of 1922

Article	Change in duty	Date of proclamation	Effective date of change
Wheat.....	Increased from 30 cents to 42 cents per bushel (60 pounds).....	Mar. 7, 1924	Apr. 6, 1924
Flour, semolina, etc.....	Increased from 78 cents to \$1.04 per 100 pounds.....		
Millfeeds, bran, etc.....	Decreased from 15 per cent to 7½ per cent ad valorem.....		
Sodium nitrite.....	Increased from 3 cents to 4½ cents per pound.....	May 4, 1924	June 5, 1924
Barium dioxide.....	Increased from 4 cents to 6 cents per pound.....	May 19, 1924	June 18, 1924
Diethylbarbituric acid (veronal).....	Increased—duty (25 per cent ad valorem) transferred to American selling price.....	Nov. 14, 1924	Nov. 29, 1924
Oxalic acid.....	Increased from 4 cents to 6 cents per pound.....	Dec. 29, 1924	Jan. 28, 1925
Potassium chlorate.....	Increased from 1½ cents to 2½ cents per pound.....	Apr. 11, 1925	May 11, 1925
Bob white quail.....	Decreased from 50 cents to 25 cents each (valued at \$5 or less each).....	Oct. 3, 1925	Nov. 2, 1925
Taximeters.....	Increased from \$3 each plus 45 per cent ad valorem on foreign value to \$3 each plus 27.1 per cent on American selling value.....	Dec. 12, 1925	Dec. 27, 1925
Men's sewed straw hats.....	Increased from 60 per cent ad valorem to 88 per cent ad valorem on hats valued at \$9.50 or less per dozen.....	Feb. 12, 1926	Mar. 14, 1926
Butter.....	Increased from 8 cents to 12 cents per pound.....	Mar. 6, 1926	Apr. 5, 1926
Print rollers.....	Increased from 60 per cent ad valorem to 72 per cent ad valorem.....	June 21, 1926	July 21, 1926
Paint-brush handles.....	Decreased from 33½ per cent ad valorem to 16½ per cent ad valorem.....	Oct. 14, 1926	Nov. 13, 1926
Methanol (methyl or wood alcohol).....	Increased from 12 cents to 18 cents a gallon.....	Nov. 27, 1926	Dec. 27, 1926
Gold leaf.....	Increased from 55 cents to 82½ cents per 100 on leaves not exceeding in size 3½ by 3½ inches and on larger leaves in proportion.....	Feb. 23, 1927	Mar. 25, 1927
Pig iron.....	Increased from 75 cents to \$1.12½ per ton.....	Feb. 23, 1927	Do.
Emmentaler type Swiss cheese.....	Increased from 5 cents per pound, but not less than 25 per cent ad valorem, to 7½ cents per pound, but not less than 37½ per cent ad valorem.....	June 8, 1927	July 8, 1927
Cresylic acid.....	Decreased from 40 per cent ad valorem and 7 cents per pound based on American selling price to 20 per cent ad valorem and 3½ cents per pound based on American selling price.....	July 20, 1927	Aug. 19, 1927
Phenol.....	Decreased from 40 per cent ad valorem and 7 cents per pound based on American selling price to 20 per cent ad valorem and 3½ cents per pound based on American selling price.....	Oct. 31, 1927	Nov. 30, 1927
Crude magnesite.....	Increased from five-sixteenths of 1 cent per pound to fifteen thirty-seconds of 1 cent per pound.....	Nov. 10, 1927	Dec. 10, 1927
Caustic calcined magnesite.....	Increased from five-eighths of 1 cent per pound to fifteen-sixteenths of 1 cent per pound.....		
Cherries, sulphured, or in brine, stemmed or pitted.....	Increased from 2 cents to 3 cents per pound.....	Dec. 3, 1927	Jan. 2, 1928
Rag rugs, cotton (hit-and-miss type).....	Increased, duty (35 per cent ad valorem) transferred to American selling price.....	Feb. 13, 1928	Feb. 28, 1928
Barium carbonate, precipitated.....	Increased from 1 cent to 1½ cents per pound.....	Mar. 26, 1928	Apr. 25, 1928
Sodium silicofluoride.....	Increased, duty (25 per cent ad valorem) transferred to American selling price.....	Aug. 31, 1928	Sept. 15, 1928
Fluorspar.....	Increased from \$5.60 per ton to \$8.40 per ton on fluorspar containing not more than 93 per cent of calcium fluoride.....	Oct. 17, 1928	Nov. 16, 1928
Potassium permanganate.....	Increased from 4 cents to 6 cents per pound.....	Nov. 16, 1928	Dec. 16, 1928
Onions.....	Increased from 1 cent to 1½ cents per pound.....	Dec. 22, 1928	Jan. 21, 1929
Cast polished plate glass, finished or unfinished, and unsilvered.....	Increased from 12½ cents to 16 cents per square foot on sizes not exceeding 384 square inches; 15 cents to 19 cents per square foot on sizes above 384 square inches and not exceeding 720 square inches; 17½ cents to 22 cents per square foot on sizes above 720 square inches.....	Jan. 17, 1929	Feb. 16, 1929
Peanuts, not shelled and shelled.....	Increased from 3 cents to 4½ cents per pound on peanuts, not shelled; 4 cents to 6 cents per pound on peanuts, shelled.....	Jan. 19, 1929	Feb. 18, 1929
Whole eggs, egg yolk, and egg albumen; frozen or otherwise prepared or preserved, and not specially provided for.....	Increased from 6 cents to 7½ cents per pound.....	Feb. 20, 1929	Mar. 22, 1929

Mr. CRISP. Yesterday, May 14, President Hoover by proclamation made the following tariff increases:

On flaxseed, from 40 cents a bushel, by 16 cents to 56 cents a bushel.

On milk, from 2½ cents a gallon to 3¼ cents a gallon.

On cream, from 20 cents a gallon to 30 cents a gallon.

On window glass, increases varying from five-eighths cent per pound to 1½ cents per pound, depending upon size.

Mr. HAWLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. ANDREW].

Mr. ANDREW. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert with what I shall say certain tables.

The CHAIRMAN. The gentleman has the right to revise and extend. The gentleman from Massachusetts asks unanimous consent to insert with his remarks certain tables. Is there objection?

There was no objection.

Mr. ANDREW. Mr. Chairman, ladies and gentlemen of the committee, I want to speak about two great American industries whose continuance in this country is menaced if we do not offer them protection in this bill—the tannery or leather business and the manufacture of shoes. Both are long-established industries which from their earliest beginnings had enjoyed interruptedly the benefits of protection, until that protection was summarily removed by the Democratic administration in 1913. Neither of these industries—neither the tanners nor the shoe workers—were immediately affected by the withdrawal of protection, for the World War intervened, eliminating all possibility of foreign competition, and greatly enlarging the foreign demand for their products. But after the war ended, as European countries slowly recovered their normal economic life, there happened to the American tanneries and shoe factories what happened to so many of the branches of American agriculture. The foreign market fell off. Their output exceeded the demand. Their investments of capital declined in value. Many of them were plunged into bankruptcy and unemployment. And finally something worse happened—recovered Europe adopting American methods and machinery, with a wage scale a third or a quarter of our own, began to compete with the American producers in our own market.

I want to show you why protection must be restored to both of these industries—the protection which had been granted them for so many decades before the war.

THE TANNING INDUSTRY

First of all, let me outline to you what has happened to the tanning or leather industry, a widely scattered enterprise with centers not only in Massachusetts, but in Wisconsin, Illinois, Michigan, Ohio, Pennsylvania, and New York. Ever since the war ended, the leather industry has passed through a ruinous period of contraction and liquidation. During the last eight years the value of the output of this industry has been cut in half. In 1919 we produced leather valued at \$929,000,000. Last year it totaled only \$495,000,000. In 1919 there were 680 tanneries in the United States. In 1927 they numbered only 494. The number of wage earners—and that, after all, is the most significant test of an industry's rise or fall—fell from 72,476 in 1919 to 53,047 in 1927. (Tariff Information, p. 2405.)

Take my own State of Massachusetts. The number of tanneries has decreased during the same nine years from 131 to 115. The finished product has shrunk from \$129,000,000 to \$77,000,000. The wage earners have dropped off from 15,000 to 10,000. I will insert in the RECORD a table showing, month by month since 1919, the decline of employment in this industry in Massachusetts.

Gentlemen, all of this has taken place during years of great growth and unprecedented prosperity in most other industries. While other businesses have been expanding, the tanning industry has been declining. Thousands and thousands of men have been thrown out of work. Thousands of others have been working only part time. Thousands of families dependent upon the tanneries have been obliged to sell their homes, to move into poorer quarters, to live on a lower standard, while those about them are enjoying ever greater and greater comforts.

This may have been in part due to a diminution in the consumption of leather, but not wholly so. For while the domestic production has been dwindling in this country foreign tanners have gone on selling increasing amounts of leather to the United States. To-day their sales are greater by 400 per cent than they were only a few years ago. As recently as 1921 the total imports of leather were valued at only about \$8,000,000, but in 1928 they amounted to more than \$42,000,000.

THE CALF-LEATHER INDUSTRY

If there were time, I should like to direct your attention particularly to the calf-leather industry, one of the impor-

tant branches of the tanning business, which is of particular concern to the people whom I represent. Year after year since the war the calf-leather tanneries have been running at a lower and lower percentage of capacity. Some of their owners have closed down altogether and have moved elsewhere to start life anew. Others have held on, hoping against hope that sooner or later there would be another session of the tariff when Congress would give them much-needed relief. Many of their skilled workmen have had to quit the occupations of a lifetime and seek employment in other lines of work wherever they could.

Yet as the home business has declined the tide of foreign calf leather has risen higher and higher. It has risen since 1923 from less than 9,000,000 square feet per year to more than 54,000,000. In 1923 the imports amounted to about 6 per cent of the domestic production. To-day they are about 41 per cent.

COMPETITIVE WAGE SCALE

If you want to know the reason why, it is to be found in the lower wage scales prevailing in Europe—relatively lower to-day than they were before the war because of the revalorization of their currency and the fact that wages have not risen to the same extent that their monetary standards have been debased. Take France as an example, where the value of the currency unit has been cut down to one-fifth of its former level. Wages have not yet, and may not for years, reach the pre-war level in gold. I received only to-day a letter from a correspondent who knows Europe and has studied their particular situation. He writes:

It is no secret why Europe can undersell us on leather and shoes. I will take only one town for instance, Graulhet, in France, a town that has over 40 leather factories, some of them very large and modern, much better plants than the average in this country. I was told by one of the leading manufacturers there, on one of my visits, the highest labor he had for 59 hours a week was \$6 per week, with 70 per cent of the labor women at \$4.50 per week, and some of these people walked in the morning from a distance of three to eight miles and back at night.

In a report by the Tariff Commission to the Department of Commerce, which is comprised in Senate Document 198 of the Sixty-eighth Congress, second session, and is dated 1925, there is a table which shows the percentage that the average wage among male workers in the calfskin industry in particular countries bears to the wage of similar workers in the United States:

	Per cent
Austria	30.13
Belgium	24.60
Czechoslovakia	25.40
England	55.38
France	27.77
Germany	33.79
Luxemburg	33.53
Scotland	67.83

From the beginning of the tanning industry in the forties of the last century until the tariff act of 1913 this industry was protected in the United States by a duty of 15 or 20 per cent. The industry grew up under the policy of protection. It only asks that that protection be restored. I understand that every other country in the world, except Holland and Great Britain, has a duty on leather. In Canada there is a protective duty of 15 per cent against leather coming from foreign countries, and even a 12½ per cent duty against leather coming in from England, the mother country. I received a letter recently from a tanner in my district who a few years ago established a large plant in Canada, and this is what he writes:

In Canada we felt that we will always be protected by a duty, so have continued to expand until we have invested there hundreds of thousands of dollars, with 10 times the floor space we have in the United States and what we believe to be the finest tannery on the American Continent, and we believe that our money is safe there, for the reason that Ottawa has always given us the assurance that industry in Canada would be protected.

Surely we can do for our leather workers what the other countries of the world are doing for theirs. If not, we are following a strangely un-American policy.

THE SHOE INDUSTRY

The other industry to which I want to direct your attention, the shoe industry, was also safeguarded by a protective tariff from the very beginning of its history until the Underwood Act of 1913. Like the tanners, the shoe manufacturers got along very well during the war period and have only felt the effect of free importations in recent years. I want particularly to ask your consideration of the plight of those engaged in making women's shoes. In my part of the country this is perhaps

the most important industry, involving many tens of thousands of workers. These people are confronted with a situation already intensely serious and an outlook that may fairly be described as desperate.

Taking the shoe and shoe-stock industry as a whole in Massachusetts, the number of firms diminished between 1919 and 1927 from 929 to 862, the wage earners lessened from 90,000 to 63,000, wages diminished from \$99,000,000 to \$74,000,000, and the value of the product tumbled from \$578,000,000 to \$321,000,000. And since 1927 the decline of the industry has been going on at a much more rapid pace. I can not give you exact figures for the last 15 months. Every few days, however, I hear of another shoe firm that has gone to the wall. I shall place in the RECORD a table prepared by the Massachusetts Department of Labor and Industries which tells the story of the decline of employment in this industry up to 1927. That is bad enough, but the story of the last 15 months is far worse. I am told that the shoe workers in the single city of Haverhill have been reduced in that time from 12,000 to 8,000. I wish that it were possible for you to read some of the letters I have received in recent months from some of the workers and the wives of workers in the shoe factories of Haverhill, Newburyport, Beverly, and Salem, those famous old cities, from which ships once carried their commerce to all corners of the earth. If you could know of their distress and their anxiety about the future, and how the situation of some of these communities has changed, I am sure that you would feel that they are entitled to at least as much consideration as the makers of automobiles and steel products and the growers of sugar beets, and the many other groups of workers who are given increased protection in this bill.

IMPORTS OF SHOES

While the industry has been declining at home, let me show you what has been happening to our import trade. In 1923 there were imported 115,000 pairs of women's shoes. Last year the imports had reached 2,018,000 pairs, an increase of more than 1,650 per cent in five years, and during the first three months of this year the imports of women's shoes were more than double those of the first three months of a year ago.

Imports of women's shoes

	Pairs
1923	115, 110
1924	264, 762
1925	272, 937
1926	484, 895
1927	982, 220
1928	2, 018, 269
January, 1929	372, 029
February, 1929	442, 672
March, 1929	587, 683
3 months, 1929	1, 402, 384

If the same rate continues during the present year, the imports will aggregate more than 6,000,000 pairs, and if this rate of increase continues for another decade, the manufacture at least of the principal grades of women's shoes will be extinct in the United States.

Most of these shoes are coming from Czechoslovakia. Five years ago, in 1923, less than 500 pairs were imported into the United States from Czechoslovakia and last year there were 1,415,143. The numbers are increasing by leaps and bounds month after month. They are coming in now at the rate of 15,000 pairs every day, and in the single month of March, more than 434,000 pairs of women's shoes came into the United States from Czechoslovakia. There is one firm in that country which is said to be making 100,000 pairs a day, and it pays weekly wages only a quarter of what our factories pay, and its employees, I am told, work 10 hours per day six days in the week.

Imports of women's shoes from Czechoslovakia

	Pairs
1923	447
1926	174, 262
1927	547, 998
1928	1, 507, 586
January, 1929	305, 867
February, 1929	351, 531
March, 1929	434, 943
3 months, 1929	1, 092, 341

It is not only from Czechoslovakia, however, that our women's shoe industry is menaced. The imports from Austria and France and other countries are also mounting swiftly.

Imports of women's shoes from France and Austria

	Pairs
1927	169, 733
1928	219, 672
January, 1929	24, 634
February, 1929	44, 773
March, 1929	49, 255
3 months, 1929	118, 662

AUSTRIA

	Pairs
1927	56, 047
1928	131, 564
January, 1929	12, 883
February, 1929	15, 113
March, 1929	50, 177
3 months, 1929	78, 173

Up to the present time the imports of men's shoes have not reached important dimensions. But with a wage scale a third or a quarter of our own, these countries which compete so seriously in our markets for women's shoes are beginning also to compete in the men's field. The importation of leather shoes for men and boys from Czechoslovakia has not yet reached large proportions, but it increased from 10,329 pairs in 1927 to 52,245 pairs in 1928, or more than 500 per cent, and of children's shoes from 15,722 pairs to 40,098 pairs, or nearly 300 per cent.

Is it any wonder that our shoe manufacturers are alarmed when they find that the bill now before Congress makes no provision for them? They turn to President Hoover's declaration at the opening of Congress, when he called attention to the fact that "there have been economic shifts necessitating a readjustment of some of the tariff schedules," and they note that he added that—

the test of necessity for revision is, in the main, whether there has been a substantial slackening of activity in an industry during the past few years and a consequent decrease of employment due to insurmountable competition in the products of that industry.

They feel—and I agree with them—that if there is any industry in the United States to which these words are applicable it is their own. There has been a vast "slackening of activity" in the women's shoe industry and "a consequent decrease of employment." And no one familiar with the facts or who understands the figures which I have presented can doubt that it is "due to insurmountable competition."

Mr. Chairman, the bill was prepared for one purpose, and one purpose only. Though technically a revenue measure, no such measure was necessary to provide revenue. No one knows whether it will produce more or less revenue. No one is concerned whether it does or not. The only object of the bill is to provide protection for agriculture and for industries that need it. The tanneries and the women's shoe manufacturers need such protection, and they need it desperately. If this Congress does not provide it we shall have lamentably failed in the fulfillment of our obligations.

It is safe to say that after this bill is enacted into law there is small likelihood of any further tariff legislation for many years. Our failure to-day to give these industries any duty means, therefore, that they will have nothing whatever to hope for during another decade.

THE FLEXIBLE CLAUSE

The act of 1922 provided and the present bill continues a method of relief for industries on the dutiable list that may be menaced by changing competitive conditions abroad. Under section 315 of the existing law, the President was given power within limits to increase or decrease rates of duty, when after investigation, it appeared that American industries were jeopardized by varying conditions in competing countries. In more than a score of instances the President has exercised this power so as to offer increased protection to industries confronted with unexpectedly increasing foreign competition. This grant of authority is continued and enlarged in the bill before us. I believe that it should have been extended to articles on the free list—that it would have been wise to do so. But the bill still restricts its benefits to articles already on the dutiable list, and neither of the great industries whose situation I have described, and which are so obviously menaced by changing foreign competition comes within the scope of the President's authority. I appeal, therefore, to your sympathies, and to your sense of fairness and justice, to give these people at least enough protection to bring them within the purview of the flexible clause. If you do not do so, you will probably sound their knell as shoe and leather workers.

I have great respect for the judgment of the committee which framed this bill, and I feel inclined to follow the recommendations which they have made after four months of hearings and conferences and investigations. In regard to the two industries which I have been discussing, I should also feel inclined to follow their unimpeded judgment. If we could have the bill in the form in which they originally voted it, on the basis of their own deliberate opinion, with the duties which a majority of the committee, as a result of their long study felt to be fair and just, those who depend on these industries would have no further ground for fear. [Applause.] The errors of the Underwood tariff would be corrected, and we should return to the policy which the Republican Party had always followed

theretofore. I ask you to extend a helping hand to the tanners and shoe workers, especially to those who make women's shoes, who desperately need it now, and who, unless such help is granted soon, face utter ruin. [Applause.]

Mr. DOUGLASS of Massachusetts. Will the gentleman yield?

Mr. ANDREW. Yes.

Mr. DOUGLASS of Massachusetts. What kind of shoes come from Czechoslovakia?

Mr. ANDREW. They are women's shoes of the McKay model. They are made by American machinery, by one firm, which is turning out 100,000 pairs every day.

Mr. SPROUL of Kansas. Is it an American firm?

Mr. ANDREW. No; it is a Czechoslovak firm; but they use American machinery and American methods. Mr. Bata, who is the owner of the business, came over to Lynn some 10 years ago with a group of workmen and learned the methods of manufacturing shoes. He then bought American machinery, and he now has what is probably the largest shoe-making plant in the world.

Mr. STAFFORD. Will the gentleman yield?

Mr. ANDREW. Yes.

Mr. STAFFORD. Has the gentleman any figures as to the importation of men's shoes?

Mr. ANDREW. Up to the present time the importation of men's shoes has not reached in numbers anything like the importation of women's shoes, but nevertheless the increase in percentage is very large in the last two years.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HAWLEY. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. ANDREW. I want to say as to men's shoes coming from Czechoslovakia, they increased from 10,000 pairs in 1927 to 52,000 pairs in 1928, an increase of 500 per cent in a single year. So there is little doubt that with the lower scale of wages prevailing in that country, one-third or one-fourth of our own, it is only a question of time when they may produce and send to this country a vast amount of men's shoes.

Mr. DOUGLASS of Massachusetts. May I also ask what grade of shoes are these women's shoes?

Mr. ANDREW. They are what are called the cheaper and medium shoes, made by the McKay process, the types produced and bought in the largest quantities.

Gentlemen, I want to say just one other thing. Unless we give some protection in this bill to these sorely distressed industries there is little hope for them in the future. As you know, the flexible clause in the tariff law, which was designed to offer some recourse for industries subjected to changed conditions of foreign competition, applies only to dutiable goods. I have always hoped this might be extended so that it would be made applicable to articles on the free list. Then, in case of changing conditions of production the President might, after investigation, offer such relief as might be found necessary to an industry that was menaced with extinction; but this has not been done, and if there is not in the present tariff bill some duty placed upon leather and shoes, I think it is safe to say that in another decade the women's shoe business will be extinct in this country, and the calf-leather business as well. All I would ask is that the committee should do for these industries what they obviously intended to do when they first prepared the bill and first voted upon it, and if they will do that, and use their unimpeded judgment in this case, these two industries will be safely looked after and their future assured. [Applause.]

With the permission granted me I shall insert the following tables showing imports of shoes and conditions of employment in Massachusetts to which I have alluded, as well as the appeals of the governor and the legislature of the Commonwealth.

TABLE 1.—Imports of leather boots and shoes, exclusive of slippers and athletic footwear

[Figures furnished by Shoe and Leather Manufacturers Division, Department of Commerce]

	Pairs boots and shoes				
	Men's and boys'	Women's	Children's	Total	Total value
1921	73,190	28,281	89,090	190,561	\$591,447
1922	134,501	47,973	17,264	199,738	753,703
1923	206,664	115,119	77,146	398,929	1,246,176
1924	276,156	204,762	45,771	526,689	1,995,252
1925	310,269	272,937	231,437	814,643	2,429,374
1926	233,787	484,895	351,059	1,069,741	3,380,972
1927	305,370	982,220	188,845	1,476,435	5,199,656
1928	395,825	2,018,269	202,790	2,616,884	8,254,224

TABLE 2.—Principal countries of origin of leather boots and shoes imported in 1927 and 1928

[Figures furnished by Shoe and Leather Manufacturers Division, Department of Commerce]

	Men's and boys'	Women's	Children's	Total
Czechoslovakia:				
1927	10,329	521,947	15,722	547,998
1928	52,245	1,415,143	40,098	1,507,486
United Kingdom:				
1927	220,213	27,728	8,667	256,608
1928	249,338	39,275	8,358	296,971
Switzerland:				
1927	7,301	127,778	131,373	266,452
1928	102	124,864	130,191	255,157
France:				
1927	4,142	169,733	11,702	185,577
1928	8,981	219,672	7,938	236,591
Austria:				
1927	5,554	56,047	6,494	68,095
1928	6,396	131,564	1,492	139,452
Germany:				
1927	4,405	46,224	12,724	63,353
1928	3,730	59,106	12,074	74,910
Canada:				
1927	46,567	7,596	42	54,205
1928	65,761	15,660	1,950	83,371
Other countries:				
1927	7,859	25,167	2,121	35,147
1928	9,272	12,985	689	22,946

TABLE 3.—United States imports of leather boots and shoes (free) first three months

[Figures furnished by Shoe and Leather Manufacturers Division, Department of Commerce]

	1928		1929	
	Pairs	Value	Pairs	Value
Men's and boys':				
January	17,113	\$84,023	29,972	\$163,869
February	24,324	135,577	32,385	173,973
March	33,141	185,422	42,251	244,036
Total	74,578	405,022	104,608	581,878
Women's:				
January	126,392	366,986	372,029	981,752
February	206,874	601,502	442,672	1,223,151
March	269,432	768,026	587,683	1,610,427
Total	602,698	1,736,514	1,402,384	3,815,330
Children's:				
January	19,477	39,374	22,530	52,368
February	43,863	101,600	51,948	58,354
March	14,352	33,263	30,561	83,974
Total	77,692	174,237	85,039	194,706
Total:				
January	162,982	490,383	424,531	1,197,989
February	275,061	838,679	507,005	1,455,483
March	316,925	986,711	660,495	1,938,437
Total	754,968	2,315,773	1,592,031	4,591,914

TABLE 4.—Index numbers of employment in Massachusetts industries 1919-1929, by months

[Base 100.0=average number employed, five years, 1919-1923. Figures furnished by Massachusetts Department of Labor and Industries]

Supplied by Massachusetts Department of Labor and Industries.

LEATHER, TANNED, CURRIED, AND FINISHED												
Month	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	
January	117.8	142.3	58.3	88.8	98.5	96.9	93.0	86.2	90.5	87.8	76.7	
February	117.6	137.2	67.6	90.6	102.5	100.0	95.1	88.5	91.2	88.8	79.0	
March	115.4	130.5	69.4	88.9	102.2	99.8	96.3	89.2	90.1	89.7	81.2	
April	115.9	126.6	67.5	88.3	100.9	95.5	89.8	85.6	86.6	84.7	74.7	
May	122.0	119.9	73.8	86.0	98.5	92.0	86.9	82.1	84.8	84.2	74.7	
June	129.0	109.0	82.3	84.4	95.7	88.5	84.1	78.6	84.3	81.3	74.7	
July	112.4	99.4	83.9	87.4	93.7	86.0	82.6	79.9	84.7	81.4	74.7	
August	138.8	91.5	83.5	93.6	95.7	90.1	85.6	85.8	87.5	82.7	74.7	
September	142.0	85.5	84.9	95.3	95.0	92.7	87.8	81.9	89.9	83.1	74.7	
October	142.5	82.2	84.0	98.0	94.3	94.2	89.7	93.5	92.3	83.8	74.7	
November	145.1	73.7	83.9	100.2	94.5	93.1	86.7	91.3	91.2	79.4	74.7	
December	147.5	68.5	81.5	99.5	93.3	92.4	85.5	90.4	88.6	75.8	74.7	
Average for year	128.8	105.6	76.7	91.8	97.1	93.4	88.6	86.9	88.5	83.6	74.7	

BOOTS AND SHOES, INCLUDING CUT STOCK AND FINDINGS												
January	111.3	123.7	67.9	93.4	100.6	89.3	81.3	82.6	83.1	68.9	67.3	
February	112.5	121.8	81.3	100.5	107.5	95.5	86.3	87.7	85.1	73.2	71.8	
March	112.8	122.6	89.4	102.7	108.1	96.8	89.2	89.3	84.8	74.0	70.4	
April	110.7	119.5	93.0	99.5	104.1	93.1	84.1	85.3	79.1	68.5	68.5	
May	111.3	116.5	94.8	93.7	100.9	87.4	78.0	84.5	75.4	64.2	64.2	
June	111.8	101.2	93.6	90.3	90.0	77.1	70.1	81.0	68.5	56.6	56.6	

TABLE 4.—Index numbers of employment in Massachusetts industries 1919-1929, by months—Continued
BOOTS AND SHOES, INCLUDING CUT STOCK AND FINDINGS—continued

Month	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
July.....	114.0	86.9	93.1	94.0	89.7	78.4	77.7	83.5	76.6	64.7	----
August.....	116.2	84.5	98.5	99.6	98.2	88.4	85.6	88.9	80.0	70.1	----
September.....	117.3	79.8	98.7	103.0	100.7	92.2	87.3	92.0	79.4	71.8	----
October.....	118.7	78.8	95.1	103.7	99.4	93.1	85.9	91.9	77.8	71.1	----
November.....	121.8	74.5	88.2	103.4	90.5	86.9	80.2	85.0	72.3	67.8	----
December.....	124.6	69.6	87.6	101.3	80.6	81.8	76.5	78.4	62.8	64.4	----
Average for year.....	115.3	98.4	90.1	98.7	97.5	88.3	81.8	85.8	77.1	67.9	----

Resolution unanimously adopted by both houses of the Massachusetts General Court (State legislature) May 9, 1929:

Whereas it appears that the tariff revision bill as reported by the Ways and Means Committee of the Congress of the United States on May 7 fails to accord to the shoe and leather industries of this Commonwealth any tariff protection, notwithstanding the fact that these important industries are keenly suffering from the handicap of competition resulting from European standards of wages and living, thus placing in serious jeopardy the welfare of these major industries; and

Whereas it is highly essential that Massachusetts wage earners should receive the same degree of tariff protection against the influx of foreign products that is accorded other lines of industry: Therefore be it

Ordered, That the General Court of Massachusetts respectfully represent to Congress and the President of the United States the necessity of amending said tariff bill in order that said industries be preserved and the American standard of living for the welfare of those engaged therein be maintained; and be it further

Ordered, That copies of this order be forwarded forthwith by the secretary of the Commonwealth to the President of the United States, the Presiding Officers of both branches of Congress, and to the Members thereof representing this Commonwealth.

Message to President Hoover of His Excellency the Governor of Massachusetts, May 10, 1929:

If legislation is not passed by the present Congress providing tariff protection for shoes and leather, one of the principal industries in Massachusetts will be placed in grave jeopardy. In 1927 the value of boots and shoes, including cut stock and findings, manufactured in Massachusetts amounted to \$321,640,706. During the same period the value of leather manufactured in this Commonwealth amounted to \$77,649,457.

The welfare of the people of Massachusetts will be seriously affected unless adequate protection is provided for these commodities. Massachusetts wage earners and manufacturers feel keenly that adequate protection should be afforded to an industry upon which so many of our people depend for their livelihood. As the chief executive of this Commonwealth I strongly urge the imperative necessity of providing in the pending tariff bill a duty sufficient to preserve two of our principal industries and enable the maintenance of the American standard of living for the wage earners employed therein.

FRANK F. ALLEN, Governor.

Mr. CRISP. Mr. Chairman, at the request of the gentleman from Texas [Mr. GARNER] I yield 20 minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Chairman and Members of the House, Jeremy Bentham, in his Book of Fallacies, enumerates a large number of maxims, sayings, aphorisms, proverbs, conclusions, and formulas that at first glance appear plausible and which have been quite generally accepted, but which on closer examination are found to be illogical, erroneous, and obviously fallacious. The versatile Sidney Smith, one of the founders and the first editor of the Edinburgh Review, in a review of this posthumous work of Mr. Bentham said:

There are a vast number of absurd and mischievous fallacies, which pass readily in the world for sense and virtue, while in truth they tend only to fortify error and encourage crime.

And may I add that a lie believed has the same psychological effect as the truth. Error if long indulged and unchallenged comes in time to be accepted as truth. A false philosophy if its sophistry be not exposed may soon be accepted as genuine by those who do not investigate for themselves and who are prone to accept the statements and conclusions of others in reference to matters with which they have no close familiarity. Some one, some time, somewhere advanced an argument, formulated a maxim, or announced a theory which the unthinking public accepted without subjecting it to the acid test of logic, reason, and common sense, and once accepted its accuracy may go unchallenged for years. There are fallacies in religion, science, philosophy, sociology, business, and politics, in which much error is cunningly mingled with a little truth. In every

sphere of human activity fallacies flourish on every hand and error in the garb of reason stubbornly contends with truth for the mastery of the world. Every generation explodes old fallacies and incubates new ones. No one familiar with the political history of the American people will deny that skillfully fashioned fallacies have often influenced legislation and dominated the political and economic life of the Nation. It is not strange that men and multitudes are wedded to some dear falsehood when we consider that nearly every false philosophy has some admixture of truth. Fallacies thrive in the same soil that nurtures truth, just as tares and wheat grow side by side. Our form of government furnishes a fertile soil for the incubation of fallacies and false systems of political philosophy. Mr. Jefferson in one of his inaugural addresses recognized this situation when he said:

Error of opinion may be tolerated where reason is left free to combat it.

There are some fallacies that have been propagated and nurtured by the Republican Party in reference to high tariff laws. These false claims and illogical arguments have been so long and so persistently pressed that many well-meaning individuals have, without investigation, accepted these delusions as sound and axiomatic. The industrial classes have been able to fasten an exceedingly burdensome system of high-tariff taxes on the American people by false reasoning, subtle sophistry, and numerous fallacies, a few of which I now propose to examine and refute.

The following fallacies and false claims are generally urged by our Republican friends in support of their action in everlastingly boosting tariff rates:

Fallacy I. The foreigner pays the tariff, and tariff taxes do not increase the price of the imported article to the consumer.

Fallacy II. High tariffs do not increase the price to the consumer of American-made products.

Fallacy III. The farmer is protected by the tariff.

Fallacy IV. High wages in the United States are the result of high tariffs.

Fallacy V. High tariffs are necessary to develop and protect our infant industries.

Fallacy VI. Protective tariffs cheapen the price to American consumers of commodities produced in American factories.

I propose now to examine these fallacies and show that these so-called reasons are unsound and not supported by reason or experience.

FALLACY I. THE FOREIGNER PAYS THE TARIFF

For several decades the advocates of high-tariff taxes argued vehemently that the tariff-tax burden was borne, not by the American people but by the foreigners who sent their commodities into the United States from foreign lands. They insisted that no matter how high the duties were, they did not and could not fall on the consumers, but came out of the pockets of the foreigners who shipped them to this country. Their slogan was "The foreigner pays the tariff." Learned Republican Members of this House, Republican Senators of long experience and erudition, Republican governors, Republican campaign orators, Republican newspapers, and the rank and file of the Republican Party gravely argued that the burden of tariff taxes fell on the shoulders and came out of the purse of the foreigners, and were not passed on to the ultimate American consumer. They contended that the imposition of high-tariff taxes did not increase the price of the imported article to the consumer, because, forsooth, they said, "the foreigner pays the tariff." In my youth and early manhood I heard hundreds of Republican spellbinders proclaim this doctrine from stump and platform, and practically every Republican newspaper in the Nation scoffed at the Democratic claim that the importer only advanced the tariff tax, added it to the cost of the imported article and passed it on to the consumer. I have seen many banners and placards carried in Republican parades, boldly asserting that "the foreigner pays the tariff tax." For a generation the Republican Party sold this fallacy and false doctrine to the American people, and millions of honest Republicans really believed that the foreigner did pay the tariff tax. Many well-meaning and sincere Americans were deceived by this fallacy and were happy and contented in the embrace of this error.

But this pernicious sophism and beguiling fallacy has long since been exploded, discarded as utterly illogical and unfounded, and is no longer advanced by the Republicans in defense of its high tariff policy. The contention was so obviously false that it could not stand the test of reason or common sense. Now no intelligent Republican will contend that the foreigner pays the tariff tax or that the imposition of high-tariff taxes does not increase the price of the imported article to the consumer. So this fallacy with which the industrial lords fooled the American

people for a generation has been cast into discard and now there are none so unsophisticated as to do reverence to this false philosophy.

FALLACY II. HIGH TARIFFS DO NOT INCREASE THE PRICE TO THE CONSUMER OF AMERICAN-MADE PRODUCTS

The high-tariff advocates deluded the American people for a generation by another fallacy. I refer to their claim that the imposition of tariff taxes does not increase the price of American-made goods to the consumer. After a time they reluctantly admitted that the tariff increased the cost of the imported article, but asserted that laying a tariff on a foreign commodity did not increase the price to the American consumer of a similar commodity manufactured in the United States. They ingeniously argued that the cost of the tariff to the American consumers was measured by the increased cost on the imported article. This argument was fallacious. Any student of the tariff knows that the American manufacturer wants high tariff laws for the reason that such laws will enable him to sell his products at a higher price than he could obtain if we had no tariff laws. Indeed, it is frankly admitted that the American manufacturer is enabled to sell the commodities he produces at a higher price than he could obtain if there were no tariff laws. No manufacturer will deny that the effect of the tariff is to raise domestic prices not only on imported articles but on similar articles of domestic manufacture. If the tariff did not raise prices the manufacturer would not be interested in it and it would not protect. How can a tariff protect a manufacturer if it does not reduce competition from foreign goods, give him greater control over the domestic market, and enable him to get higher prices for the commodities that come from his mills and factories. The whole system of a protective tariff is based upon the proposition that high tariffs do enable the American manufacturer to charge the American people more for American-made commodities than could be charged if there were no tariffs.

The growers of cane and sugar beets clamor for a higher tariff on imported sugar because under such high tariff they will be enabled to sell their American-made sugar at higher prices than would obtain in the absence of this high tariff.

Those who manufacture chemicals, oils, paints, drugs, dyes, and similar products want a high tariff on these commodities so the American manufacturer of these commodities can raise the price of his products over and above the price that would prevail without these tariffs.

The manufacturers of earthenware, glassware, cement, crockery, chinaware, table, and kitchen articles and utensils, window glass, mirrors, electric-light bulbs, tiles, granite, marble, and tombstones are always begging Congress to increase the tariff on these articles, and frankly admit that they want this tariff increase so they may be enabled to charge the American people higher prices for American commodities of this character than they could charge without a tariff.

The manufacturers of iron, steel, copper, tin, and aluminum products are always demanding higher tariffs on these commodities because the higher the tariff the more they can charge for the articles that come from their mills and factories.

The manufacturers of cotton, woolen, silk, rayon, and linen goods are always knocking at the door of Congress and begging for an increase in the tariffs on articles of this class because the more the tariff is increased on foreign goods of this character, the more the American manufacturers of cotton, woolen, silk, rayon, linen, and similar products can charge for these American-made articles. And this same principle prevails with reference to all of the other schedules.

For a long time the high tariff advocates were able to fool the American people into believing that high tariff laws did not increase the price of American-made commodities. This fallacy was put over and sold to the public in spite of the fact that the main purpose of high tariff rates is to enable the American manufacturer to do this very thing, namely, sell the products of his factory to the American people at a higher price than would be obtainable without such high tariff rates.

Or, to state the proposition in another way, high tariff laws are intended to remove or materially reduce competition and give the American manufacturer a monopoly on our domestic markets with the power to advance prices to a point far in excess of the prices that would obtain if we did not have these high tariff laws. That is to say, the purpose of high tariff laws is to give the American manufacturer a strangle hold on the American consumer and compel him to use American-made merchandise and pay for it a much higher price than could be exacted in the absence of these high-tariff schedules.

Let me show how the tariff works and increases the cost of American-made commodities. It is surprising how cheaply pocketknives can be produced, not only in Europe but in the United States. A pretty good pocketknife can be made in

England, shipped to the United States, and sold for 50 cents if it were not for the tariff on knives. The same kind of a knife can be made in the United States and sold at a fair profit for 50 cents. But before the 50-cent English knife can enter our country it is subject to a tariff tax of approximately 50 cents, which when added to the cost of the English knife raises its sale price to \$1. The American who buys this English knife gets 50 cents worth of knife and 50 cents worth of tariff, and the 50-cent tariff tax goes into the United States Treasury.

Now, how does the tariff on knives benefit the American manufacturers and how does this tariff affect the price the consumer pays for American-made knives? That question is easy to answer. The American manufacturer of knives knows that with the tariff added the English knife can not be sold for less than \$1, and this enables the American manufacturer to advance the price of his 50-cent knife to about 90 cents, which gives him an additional profit of 40 cents and still enables him to sell the American-made knife just a little cheaper than the English knife. This explains why the American knife maker wants a high tariff on foreign knives. It enables him to sell the American-made knife for nearly double what he could sell it for without this tariff. The tariff gives the American knife maker a monopoly or almost a monopoly on the American market, and under the cover of this high-tariff tax he is assured an exceedingly large profit, but the millions of people in the United States who use knives are compelled to pay nearly twice as much for their knives as they would pay in the absence of this high tariff.

If high tariffs did not have this effect, the manufacturers would not be interested in having everything from the cradle to the grave, including coffins, shrouds, and tombstones, subject to high-tariff taxes.

Let us see how the tariff works on hats: An English hat can be made and shipped to the United States and sold at a profit for \$1.50 if there were no tariff on hats. On this English hat a tariff of 72 cents is levied at the customhouse, which tariff brings the cost of the English hat up to \$2.22. The American who buys an English hat gets \$1.50 worth of hat and 72 cents worth of tariff and this 72 cents goes into the Treasury of the United States. Now, I am going to show a little later on that while the scale of wages in the United States is higher than in England, still, when we consider the productivity of American labor, it is as cheap and as poorly paid as the labor in Europe, and while the daily wage in the United States is higher than the daily wage in Europe, it is in reality no higher when you take into consideration the fact that the American laborer in a day produces double the quantity of manufactured articles produced in a day by an English workman. It is my purpose to elaborate this phase of the wage and tariff question a little later on and to furnish conclusive proof that by reason of his greater efficiency and productivity the American laborer is not much better paid than the European laborer. Now, the American hat manufacturer can make and sell a hat of the same grade as the English hat for \$1.50, but when, as a result of the tariff, the price of the English hat is pushed up from \$1.50 to \$2.22, the American manufacturer promptly advances the price of the American hat to about \$2.10, which gives the American hat maker 60 cents additional profit, and still enables him to sell the American-made hat 10 cents below the price of the English hat. If the tariff did not enable the American hat maker to add to the price of American hats a sum equal to the tariff, he would not be lobbying to maintain a high tariff on hats.

The tariff on all other commodities operates just like it works on knives and hats. If the tariff did not work this way, the manufacturers would not be interested in the tariff question. If the tariff did not enable the domestic manufacturer to raise prices on his commodities, he would be opposed to the principle of the so-called protective tariff. While under the Fordney-McCumber Act the Government collects annually about \$550,000,000 import duties, this is only a drop in the bucket in comparison with the total cost to the American people of that act. It is conservatively estimated that by reason of the high tariff schedules carried by the Fordney-McCumber Act the American manufacturers, in increased prices on American-made commodities, have collected annually from the American people at least \$3,000,000,000 more than they would have received for their commodities had not the Fordney-McCumber schedules been enacted. The rates established by the Fordney-McCumber Act are already in many respects unreasonably high and grossly excessive. The present tariff rates are yielding to the industrial classes the lion's share of the new wealth that annually accrues to the American people, and these rates are especially burdensome to the agricultural classes and to the millions of so-called common people who constitute the bone and sinew of our national life.

FALLACY III. THE FARMER IS PROTECTED BY THE TARIFF

In net results the Fordney-McCumber Tariff Act has been a burden and not a benefit to the American farmers. It has cost the agricultural classes approximately \$2,000,000,000 in six years. I grant you that it placed numerous farm commodities on the dutiable list with rates that to the uninformed would seem to be helpful. But these duties are only effective on commodities of which we do not produce a surplus. This tariff is not effective on wheat and other commodities of which we produce a surplus. But the benefits of the tariff on farm commodities are exceedingly small when compared with the burdens that are imposed on the agricultural classes by the Fordney-McCumber Act.

It is conservatively estimated that the Fordney-McCumber Tariff Act is costing the American farmers in excess of \$300,000,000 annually. This is not Democratic propaganda but is based on a finding and report made by the American Farm Bureau, which has probably the largest membership of any farm organization in the United States. After the passage of the tariff act of 1922 the department of research of the American Farm Bureau Federation made a careful and exhaustive investigation to ascertain the effect of this measure on agriculture. The investigation was conducted along fair, impartial, and nonpartisan lines. The benefits and burdens that flowed from the act were enumerated and a balance struck which showed that after allowing for the benefits accruing to agriculture from this measure it was found that the net cost to agriculture of the Fordney-McCumber bill was \$301,000,000. In other words, there was more cost than gain to the American farmers. I hold in my hand a copy of the American Farm Bureau Federation News Letter, the official organ of the American Farm Bureau Federation, in which the report of this investigation is printed. The report is well written and is eminently fair in enumerating both gains and losses to agriculture under the provisions of the tariff act of 1922. This report reflects an honest effort of this great farm organization to determine, first, to what extent farmers, as producers, are benefited by import duties on their own products through resultant increases in market prices; and second, to estimate the increased cost of commodities purchased by farmers, whether agricultural or industrial products, attributable to the existing tariff. The net gains that would accrue to the agricultural classes from the tariff from each farm commodity were carefully computed, and it was found that, by reason of the tariff on agricultural products, the gross annual increase of income to the farmer on these commodities was \$124,800,000, but it was also found that the farmers were to a certain extent purchasers of these commodities and that the increased cost to farmers of the agricultural products they purchased and consumed was \$94,900,000 which, when deducted from the gross gains, left \$29,900,000 as the net annual gain of the American farmers from the tariff on farm products carried by the Fordney-McCumber Act. That is to say, considering the agricultural schedules as a whole, the American Farm Bureau Federation found that these tariffs on agricultural products only increased the income of the American farmers \$29,900,000. But this does not represent any gain to agriculture when we take into consideration what the American farmers had to pay in the increased cost of their supplies, which increase resulted from the unconscionably high tariff rates on articles covered by other schedules.

The farm bureau in this report estimated that the Fordney-McCumber law added annually \$1,323,000,000 to the price of commodities consumed by the American people other than agricultural products, and that of this amount the farmers paid one-fourth, or approximately \$331,000,000, and deducting the \$30,000,000 gain under the agricultural schedules, it found that the net annual loss of agriculture under the Fordney-McCumber Act was \$301,000,000. In other words, the Fordney-McCumber law brought to the American farmers \$30,000,000 and added to the cost of their supplies \$331,000,000, which was in effect putting into one pocket of agriculture \$30,000,000 and taking \$331,000,000 out of the other pocket. These are not my figures; this is not Democratic propaganda; but these are the figures compiled by the American Farm Bureau Federation, showing the losses and gains that annually accrue to the American farmers as result of the excessively high tariff schedules embraced in the Fordney-McCumber Act.

James E. Boyle, professor of rural economy in Cornell University, in an article on tariff handicaps published in the March issue of the *Annals of the American Academy of Political and Social Science*, said:

The conclusion seems warranted that when the tariff gains and losses are balanced for the farmer, the balance shows a net loss to the farmer. The American Farm Bureau Federation states the amount as \$300,000,-

000, or about \$10 per family. My estimate would be five times this amount, or \$50 per family.

Now, this is not my statement and it is not Democratic propaganda. It is the well-considered opinion of an eminent educator who has made a thorough, judicial, and nonpartisan examination of the effect of high tariff laws on agriculture. Moreover, Professor Boyle concludes his article with this significant statement:

The tariff is now one of the greatest obstacles to an economically sane and balanced agriculture.

The pending bill will not improve the condition of the American farmer, because it materially increases the tariff on hundreds of articles that the farmer is compelled to buy. It will add tremendously to the farmer's cost of living. It will not reduce the spread between what the farmer gets for his product and what he pays for his supplies. For every dime this bill puts in the pockets of the American farmer it will take out a dollar.

FALLACY IV. HIGH WAGES IN THE UNITED STATES ARE THE RESULT OF HIGH TARIFFS

Another fallacy that the industrialists have worked overtime is the claim that high wages in the United States are the result of our high tariff laws. This contention is not sustained by the evidence in the case. As a rule wages have always been higher in the United States than in Europe, and this is true without regard to whether high, moderate, or low tariff laws have been in operation. Our country was new and now has and always has had a small population as compared with Europe. Our natural resources have been in a process of development. Our industrial, commercial, and political institutions had to be built new and "from the ground up." Our almost limitless natural resources expanded rapidly under the influence of American genius and American efficiency. Since the foundation of our Government commerce, business, and industry have grown more rapidly than our population. Under these conditions our supply of labor has seldom been equal to the demand. This factor alone will produce a high wage scale whether we have or do not have a tariff.

On the other hand, every nation in Europe has been overpopulated for more than a century, and the supply of European labor has always been greater than the demand. There has been an age-long struggle in Europe among the laboring classes for a job and for bread. Seldom has there been a time in the last 100 years in Europe when there were not at least two applicants for every job. As a result of this overpopulation and oversupply of labor wages have always been low or comparatively low—much lower in fact than wages in the same lines in the United States. Although millions of men and women have migrated from Europe to the four corners of the earth Europe has continued to be overpopulated, and it is inevitable that wages will be low wherever two or three men are struggling for one job.

Numerous factors contributed toward establishing a high wage scale in the United States. We had millions of acres of productive agricultural land that were open to settlement by preemption or homestead. If at any time wages in America were unsatisfactory, the workmen could turn to the West and acquire without cost a fertile farm where he could live in comfort, rear his family, and have a part in the development of a rapidly advancing civilization. We had untold mineral wealth hid in the bowels of our mountains and beneath the surface of our hills and valleys to which a discontented wage earner could turn with a reasonable assurance of acquiring a fortune. Our forests lured many workmen from the factories thereby making places for others, frequently at an increased wage. Conditions were entirely different in Europe where the teeming millions were foredoomed to a life of toil and often beggary. If the United States were overpopulated like Europe, and we had two or three workmen for each job, no tariff schedules however high could prevent low wages and the impoverishment of the wage-workers of America.

Labor organizations have done infinitely more to improve working conditions, dignify labor, and maintain a high wage scale than all the tariff laws that have ever been written. Before labor was efficiently organized, wages were much lower in the United States than now, although the statute books were plastered over with high tariff laws. The American Federation of Labor and the Railroad Brotherhoods and other labor guilds, groups, and organizations are entitled to the credit for having established and maintained a high wage scale in the United States, and this was done over the protest and bitter opposition of the organized industrial and transportation groups.

The American workmen owe their high wages to union labor and not to the tariff. How long would the workmen enjoy their present high wages if the great brotherhoods, the Federa-

tion of Labor, and other labor organizations should be dissolved? How long would the manufactures pay a decent wage if the American Federation of Labor and allied labor organizations should go out of business. Wages are high in the United States, not on account of tariff laws but because of the intelligence, efficiency, and productivity of American labor and because labor unions have forced the payment of living wages and decent working conditions.

Even when we have had our lowest tariffs, wages in the United States have always been higher than wages in Europe. I call your attention to the fact that our highest wages in the United States are in lines of employment and trades far removed from the influence of tariff laws. You will not find the highest wages paid in industries that enjoy the highest tariff protection, but in trades that are not directly or indirectly protected by or related to the tariff. The textile industry probably enjoys the protection of the highest tariff schedules, yet the wages paid in that industry are exceedingly low, and strikes and lockouts are quite common in our cotton and woolen mills.

The United States Department of Labor issues reports showing the wages paid throughout the Nation, including the wages of those employed in unprotected as well as protected industries. These statistics show that laborers are better paid in trades and industries that have no tariff protection than in industries sheltered by high tariff laws. The wages per hour in these unprotected trades were as follows:

Wages per hour	
Bricklayers	\$1.47
Carpenters	1.18
Wharf and bridge builders	1.17
Cement finishers	1.23
Engineers, portable and hoisting	1.26
Hod-carriers	.92
Glaziers	1.22
Inside wiremen	1.27
Lathers	1.39
Marble setters	1.26
Painters	1.23
Sign painters	1.53
Plasterers	1.48
Plumbers and gas fitters	1.28
Slate and tile roofers	1.41
Stonemasons	1.40

These workmen are not protected by any tariff laws. Their work can not be performed abroad and then shipped into this country. The wages in these unprotected industries will average double the wages paid in manufacturing establishments that are given the benefit of high protective tariff laws.

It is also significant that wages in these same lines of employment in Europe are higher than the wages in the European manufacturing plants, many of which are the beneficiaries of a high protective tariff. Then again, the American workman in a trade that is not protected by the tariff gets more than double the wages of the European workman engaged in the same line of industry. While the daily wage in protected industries in the United States is practically double the daily wage in the unprotected industries of Europe the daily wage in the unprotected industries in the United States is double the daily wage in the unprotected industries of Europe. As I have already explained, this is because of the overpopulated conditions in Europe and the excess of the labor supply over the demand. Of course, the superior intelligence, greater efficiency, and greater productivity of American labor are factors in the wage problem which necessarily stimulate wages in the United States and maintain them on a higher level than European wages.

I desire to especially emphasize the greater productivity of American labor as one of the prime factors in establishing a high American wage scale. That is to say, the American workman, by reason of his greater intelligence and efficiency, produces more manufactured commodities in a given time than the European laborer engaged in the same character of work. The American workman will turn out in a day more yards of cloth, more pencils, more pairs of hose, more handkerchiefs, more nails, knives, forks, neckties, horseshoes, bolts, barb wire, pins, needles, buckles, fishhooks, spades, rugs, calico, or other articles than the European workman will produce in two days. As the labor of the American workman is twice as productive, why should he not receive double the wages of his European cousin? Inasmuch as the American workman in a day creates twice as much of a given commodity as is produced by European labor in the same length of time, is it strange that the American workman receives double the wage of the European toiler? The American workman gets more because he does more, produces more and earns more for his employer.

On April 11, 1878, F. W. Seward, acting Secretary of State, issued a letter to the consular officers of the United States in

Great Britain, France, Germany, Belgium, Italy, Spain, the Netherlands, Sweden and Norway, and Denmark, requesting them to investigate labor conditions and report in regard to the following points:

First. Rate of wages usually paid laborers of every class, but with more special reference to agricultural laborers, mechanical laborers.

Second. And those upon public works and rails. The cost of living to the laboring class, or the prices paid for what may be termed the "necessaries of life."

Third. So far as practicable, a comparison of the present rates with those prevailing during the previous five years, both as to the wages and cost of living.

Fourth. Present state of trade, whether prosperous or otherwise, and the character of the paper money, the amount in circulation, and the relative value of paper money and credit to each other.

Fifth. Such information as may be obtainable as to business habits and systems in these foreign countries.

These nations, with the United States, at that time comprised the world of educated and progressive labor. The consular officers made a thorough investigation of the enumerated suggestions, and in due time submitted reports and statistics to the State Department covering these suggestions. The then Secretary of State, William M. Evarts, arranged these reports into national groups so as to present a compact, yet comprehensive, view of the state of labor in the various European countries and at the same time a comparison between labor in those countries and in the United States. On May 17, 1879, Secretary Evarts transmitted these reports to Congress with a letter in which he made a detailed and scholarly analysis of these statistics, drew certain conclusions therefrom, and announced certain great truths to be drawn from this study of labor conditions in Europe and the United States. This report and these statistics constitute Executive Document No. 5, Forty-sixth Congress, first session. Time will not permit me to present in detail this report and these statistics, but I do want to call your attention to several important facts they reveal:

In this report Secretary Evarts, who was an eminent Republican, states:

The rates of wages in the United States, roughly estimated, are more than twice those in Belgium; three times those in Denmark, France, and Germany; one and one-half those in England and Scotland; and more than three times those in Italy and Spain.

Undoubtedly the low European wage scale was caused then and results now from overpopulation and because the supply of labor in Europe largely exceeds the demand.

At the time these statistics were gathered we had in the United States an average ad valorem rate of duty of 42 per cent. Then, as now, the laborers in many trades were not the beneficiaries of any protective tariff laws. Even at that time the unprotected laborers in the United States received substantially double the wages paid to European laborers engaged in the same kind of work. These laborers at that time were not protected in either the United States or Europe, and yet wages were twice as high in the United States as in Europe, which demonstrates that high tariff laws do not increase the wages of workmen who are not employed in a particular industry that is sheltered by a high protective tariff. The bricklayers, masons, carpenters, brass fitters, painters, plasterers, blacksmiths, bakers, plumbers, saddlers, harness makers, and tinsmiths in the United States received double the wages of the bricklayers, masons, carpenters, brass fitters, painters, plasterers, blacksmiths, bakers, plumbers, saddlers, harness makers, and tinsmiths of Europe. Neither group had the benefit of tariff laws. The nature of this labor is such that it can not be protected by tariff schedules. The American bricklayer lays bricks in the United States—does his work here—and the European bricklayer does his work on the other side of the Atlantic Ocean, and in the very nature of things neither can compete with the other. The same is true of the plasterer, plumber, blacksmith, carpenter, and painter. No method has ever been devised by which the great majority of American laborers can have their wages raised by the tariff. The fact that the American bricklayer gets twice the wages of the European bricklayer does not prove that the high wage of the American bricklayer is due to the tariff. And this is true with a great majority of American laborers, only a small proportion of whom are brought or can be brought under the protection of our tariff laws.

Secretary Evarts speaks of the overpopulation and the surplus labor in European countries and stated that under the circumstances nothing "remains for the British workingmen but emigration." Mr. Evarts also makes the following significant statement:

The average American workman performs from one and a half times to twice as much work in a given time as the average European workman. This is so important a point in connection with our ability to compete with the cheap-labor manufactures of Europe, and it seems, on first thought, so strange that I will trouble you with somewhat lengthy quotations in support thereof:

DENMARK

"Another evil is the diminished worth of wages, the descending quantity and quality of work now obtained by employers for wages higher than those paid 10 years ago. From the report of the consul at Copenhagen.

FRANCE

"At his work the French laborer or mechanic lacks the energy of the American of the same class, and the amount of work executed by him is much less in the same number of hours. The hours of labor are from 11 to 12, but an average American workman will accomplish as much in 9 hours. From the report of the consul at Bordeaux.

GERMANY

"I am satisfied that an ordinary workingman in the United States will do as much again as will one in this district in the same time. From the report of the consul at Chemnitz, Saxony.

"An active American workman will do as much work in a given time, at any employment, as two or three German workmen. From the report of the consul at Leipzig.

"There can be no question that, speaking in general terms, the quality as well as the quantity of the work of the German artisans is inferior to that produced by the Americans. The workman here is inclined to be sluggish, and what he accomplishes is relatively small. From the report of the consul at Sonneberg."

Further on in his report Secretary Evarts said:

There is something in the Republic which gives an individuality to the people of the United States possessed by no other people to such a degree. Our inventive genius in mechanical appliances is original, and at least 25 years ahead of Europe. Our people accept innovation, are prepared for it by anticipation; Europeans do not. One workman in the United States, as will be seen from the foregoing extracts, does as much work as two workmen in most of the countries of Europe; even the immigrant from Europe attains this progressive spirit by a few years' association with American workmen. We have no oppressed and stupid peasantry, little more intelligent than the tools they handle. All are self-thinking, self-acting, and self-supporting.

Continuing, Mr. Evarts said:

The workingman of Europe is born to labor through life; in labor he must continue to the end. There, indeed, are capital and labor severely and eternally divided, unless when some great upheaval in its madness pulls all things down to a common level. But in the United States the workingman of to-day may be the capitalist of to-morrow. Labor and capital are only divided by intelligence, industry, and pluck, and all honest, steady, sensible laborers work to become capitalists.

And in the opinion of Secretary Evarts neither cheap foreign labor nor the vast European capital at its back can compete with the inventive genius, mechanical skill, and financial audacity of the workingmen and capitalists of the United States. And by reason of the superior intelligence, greater efficiency, and vision of the American laborer and manufacturers they will ultimately achieve a world-wide mastery in the domain of industry, and eventually largely control the markets of the world whether or not we have a high, moderate, or low tariff system.

Here we have a very persuasive explanation of why the American laborer receives better wages than the workingman of Europe. It is, as Secretary Evarts says, because "one workman in the United States does as much work as two workmen in most of the countries of Europe"; and why should we overlook this very convincing explanation and attempt to prove that this difference in wage scales is due to the tariff.

In reference to the cost of living in Europe and the United States Secretary Evarts said:

If the working people of the United States lived on the same quality of food, or comparatively the same, and exercised the same frugality as the working people of Europe, they could live as cheaply as the working people of any country in Europe.

But, of course, in the domain of labor in the United States we have higher standards of living than those which prevail in Europe, and no one favors legislation which will deny the laboring man an adequate wage and proper working conditions.

But I want to call another witness whose ability and Republicanism will not be questioned. I refer to James G. Blaine, "the Plumed Knight," whose keen rapier was always drawn in the service of his party. He was Secretary of State under President Garfield.

Shortly after he became Secretary of State he sent a circular to United States consuls throughout the world requesting them to forward such facts as were within their reach in regard to trade in cotton yarns and tissues in their several districts. These American consuls combed the earth for statistics in relation to the cotton trade of the world. These consular reports were published with a letter from Secretary Blaine, analyzing and explaining them in detail. He gave much thought and space to a study of the wage question at home and abroad and compared wages in the United States with those prevailing in foreign lands. In his analysis of English wages and in comparing them with the wages that prevailed in the textile industry of the United States he not only showed the wages paid in each country but the number of hours employed and the productivity of the laborers. He thus summed up his conclusions:

Undoubtedly the inequalities in the wages of English and American operatives are more than equalized by the greater efficiency of the latter and their longer hours of labor. If this should prove to be a fact in practice, as it seems to be proven from official statistics, it would be a very important element in the establishment of our ability to compete with England for our share of the cotton-goods trade of the world. (United States Consular Reports 1881, vol. 12, pp. 98-99.)

Here we have the testimony of a great Republican and a great protectionist. And he frankly says that the inequalities in the wages of English and American operatives are more than equalized by the greater efficiency of the American and his longer hours of labor.

Continuing, Mr. Blaine said:

In the two prime factors which may be said to form the basis of the cotton-manufacturing industry, namely, raw material and labor, we hold the advantage over England in the first and stand upon an equality with her in the second.

Having the raw material at our doors, it follows that we should be able to convert it into manufactures, all things else being equal, with more economy and facility than can be done by England, which imports our cotton and then manufactures it in her mills. The expense of handling, transportation, and commission must be an important item in this regard as compared with our turning in the fiber from the cotton fields to our mills and shipping it in the advanced form of manufactured goods. Add to this the secondary fact that it costs us no more to handle and manufacture the same than it costs in England and we stand on an undoubted equality thus far in the race of competition.

Can any Republican challenge Mr. Blaine's logic or the accuracy of his conclusions? He recognized that American labor, by reason of its superior intelligence, efficiency, and greater productivity, is able to successfully compete with England and other nations for the cotton trade of the world.

And by these consular reports and statistics he showed that spinners and weavers in the cotton mills of England were paid substantially the same wages, although England was then a free-trade nation and the United States at that time had a high-tariff system with an average ad valorem rate of duty of over 42 per cent.

And I have some additional evidence to offer. I desire to call another Republican Secretary of State, and I tender the evidence of a Republican in whom I am sure there was no political guile, Frederick T. Frelinghuysen, Secretary of State under President Arthur.

Secretary Frelinghuysen collected and arranged statistics which fully demonstrated the soundness and correctness of the conclusion reached by Blaine and Evarts and declared that, "In the matter of wages, America is as cheap as England." I quote from one of the tables on which he based this conclusion. It gives the amount of wages in cents paid for manufacturing a certain quantity of cloth, as follows:

	Cents
Fall River, Mass.....	6.907
Lowell, Mass.....	6.882
Rhode Island.....	6.422
Pennsylvania.....	6.440
England.....	6.962

This table shows that the average wage paid at that time in England for producing any fixed quantity of cloth was higher than the average wage paid in the manufacturing centers of the United States for doing the same amount of the same work. Mr. Frelinghuysen further shows that the total cost of manufacturing this fixed quantity of cloth was actually less in Rhode Island than in England, the proportion being Rhode Island, 11.99, to England, 12.16.

That is to say, when Secretary Frelinghuysen took into consideration the productivity of American labor he found that the English workman was being paid a fraction more than the American who is doing the same kind of work. I have made

an effort to obtain late statistics as to the comparative productivity of American and European labor, but it seems that the departments have not obtained statistics of this character in recent years, although this information is of vital importance and absolutely necessary to make an accurate comparison of American and European wage scales. But it will not be denied that an American laborer produces much more in a day than the European laborer. The American workman produces more yards of cloth, more nails, more glassware, more knives and forks, more files and saws, more boxes and baskets, more handkerchiefs and neckties, more spools of thread, more buttons, gloves, hosiery, underwear, tablecloths, sheeting, and more articles of every kind in a day than the European workman. I am quite confident that when you take into consideration what an American workman produces he is even at the present time not compensated at the same rate as the English workman. It is quite common for us to boast of the high wages received by the American workman without taking into consideration the fact that he gets better wages because he is worth more to his employer and because he produces more commodities and creates more new wealth than the European laborer in the same length of time.

I can not escape the conclusion that the pending bill is a vicious measure which grants to the manufacturing groups undeserved bounties. It will increase tremendously the cost of living and divert to the pockets of the industrialists untold millions of dollars that ought to remain in the pockets of the common people of America, whose backs are now bending beneath an unbearable burden. You may pass this bill, but with the exception of a few schedules it will not meet with the approval of the American people. You are carrying the doctrine of protection to unnecessary and unreasonable extremes and widening the spread between the economic condition of the special-privilege classes on the one hand and the masses on the other.

THE PHILOSOPHY OF WAGES AND THE EFFECT OF PROTECTIVE TARIFF THEREON

If the tariff has any effect on wages, it can only be because it operates on the underlying factors that control wages and make them what they are. In order to determine to what extent tariffs affect wages, we must get at the causes underlying wage rates. High wages or low wages do not "just happen," but are the result of well-defined and ruthlessly operating natural laws. They are not the result of chance, but spring from immutable economic laws and only remotely and temporarily can their operation be altered by artificial influences or legislative fiat. If wages are high, there is a cause for it. If wages are low, there is a cause for it. So the conclusion is irresistible: If high tariffs influence wages, it is because they affect those things that cause high or low wages.

Now, if the protective tariff causes high wages, how is this done? In what way does the tariff operate on the wage scales, forcing it up or down, or holding it stationary? High wages and low wages are the effect of some rational and underlying cause. Now, what is the real cause of high or low wages? What economic forces push wages up to high levels or pull them down to a beggarly basis? If a low tariff causes low wages, why and how? If a high tariff causes high wages, why and how? What is the process by which tariff laws advance or reduce wages, if they do have that effect? We must not jump at conclusions. We must not accept the unsupported claim advanced by the advocates of high tariffs. Without proof, we must not assume that high tariffs do raise the wage scale or that low tariffs reduce wages. We must subject this claim to the acid test of reason, logic, and common sense. The contention advanced by the advocates of ever-increasing tariff rates must fall unless it can be established by some rule of reason and the process by which tariffs raise or lower wages must be definitely established and demonstrated to the satisfaction of thinking men.

There is a profound philosophy that underlies and controls the upward and downward movement of wages. I propose to briefly discuss some of the theories advanced by economists and students of the wage problem in order that we may, if possible, reach a correct conclusion as to the factors that control wages and make them high or low. Time will not permit me to discuss these several theories in detail. This morning I can only enumerate and hurriedly define these different theories and state what doctrine is most consonant with truth and reason.

FIRST. THE "WAGE-FUND" THEORY

This doctrine was first developed by the English classical school of political economists. The learned Scotchman, Adam Smith, originated or, at least, developed and amplified this "wage-fund theory," in his monumental work entitled, "An Inquiry Into the Nature and Causes of the Wealth of Nations,"

published in 1776. This theory of wages was generally accepted for more than a century and with some modifications still meets with the approval of many thoughtful modern students of the wage problem. Now, what is this "wage-fund" theory of wages? It asserts that wages are dependent on the number of workers in a country and the amount of capital available at any time for their payment. This capital sum—that is, the wage fund of a particular country—is not increased but only distributed by the protective tariff, which consequently can not increase wages. In other words, the wage-fund theory in effect asserts that the protective tariff instead of increasing the fund available for wages in the country, taken as a whole, merely shifts a portion of the wage fund available in one occupation, to the wage fund in another occupation. Or, to state the theory in a different form, the protective tariff shifts the funds available for wages in the nonprotected industries to the fund available for the payment of wages in the protected industries. Under the protective tariff policy, if wages are advanced in the protected industries, that increase must come from the funds that would otherwise be available for the payment of wages in the nonprotected industries. In the same manner, laws are frequently enacted which, while they do not increase the stock of national wealth, do arbitrarily and unjustly shift large portions of our national wealth from one vocation to another and from one section of the country to another section.

It is fundamental that the rate of wages depends on the proportion which the supply of labor bears to the demand for it; and the supply of labor depends upon the number of men waiting for employment. Frederick Bastiat, in his *Fallacies of Protection*, says:

We shall no longer receive such and such a product from abroad. We shall make it at home, augment the capital? Not in the least degree. It may force capital from one employment to another, but it does not increase it by a single farthing. It does not, then, increase the demand for labor.

The protective system tends to produce abnormal economic conditions and throw our economic structure out of balance. If the claims made by its advocates are well founded, then the system, by legislative favoritism, discriminates in favor of one industry and against all others. By artificially stimulating the wages in one industry, we inevitably draw from other industries man power that would otherwise remain in these other industries and contribute to their enrichment.

Undoubtedly high tariff laws stimulate manufactures. The capital to carry on these industry operations has not "fallen from the moon," but has been withdrawn from agriculture, business, and other vocations. The protective tariff system increases the number of workmen in manufacturing towns, reduces the number of workmen on the farms, and in many other walks of life. The abnormal prosperity in the industrial sections of our country has been wrought at the expense of the agricultural sections, and the amazing wealth that has come to the manufacturing classes under our protective system, represents not the creation of new wealth so much as the shifting of existing wealth from the agricultural and other groups that make up the so-called common people. No thoughtful student of present-day conditions will deny that under the protective system much of the wealth of the agricultural classes has been transferred to the pockets of the manufacturing group.

SECOND. THE "PRODUCTIVITY" THEORY

Those who hold to this theory declare that the productivity of labor is the principal determinant of wages. If the productivity of labor is high, wages will be high; and if labor is high, it is because labor's productivity is great. And the very fact that the American wages are high proves that the American producer has nothing to fear from the less efficient European workman. David A. Wells, an economist of international repute, in discussing this wage question, said:

If a high rate of wages is permanently paid in any industry or in any country, it is in itself proof positive that the product of labor is large, that the laborer is entitled to a generous share of it, and that the employer can afford to give it him.

Prof. F. W. Taussig, in *Free Trade, the Tariff, and Reciprocity*, published in 1920, emphasizes productivity as the main determinant of wages, and says:

The general proposition that a high rate of wages is the result of high productiveness of industry is simple and undeniable. . . . The high level of wages is caused by the great efficiency of labor in the majority of productive enterprises.

THIRD. THE "SUPPLY AND DEMAND" THEORY

Many eminent authorities on political economy attribute high and low wages to the simple laws of supply and demand.

Some one has said that when two workmen run after one master wages fall, but when two or more masters run after one workman wages rise.

In 1888 in this Chamber Roger Q. Mills, in advocating a reduction of tariff taxes, said:

It is said if we reduce the tariff wages must be reduced. How is it that a high tariff makes high wages for labor? How can it be explained? Why, they say, as a matter of course, if you increase the value of the domestic product, the manufacturer is able to pay higher wages. Unquestionably he is, but does he do it? No. Mr. Jay Gould, with his immense income from his railroad property, is able to pay his bootblack \$500 a day. Does he do it? Oh, no! He pays the market price of the State. * * * A high tariff does not regulate wages. Wages are regulated by demand and supply, and the capacity of the laborer to do the work for which he is employed.

No matter how high the tariff may be, a manufacturer never pays any higher wages than is necessary to enable him to purchase the labor he must have. If the demand for labor exceeds the supply he is quick to advance wages, but if the supply of labor is in excess of the demand, wages go down. Organized labor and labor unions have done infinitely more to advance wages and hold them on a high level than all the tariff laws that were ever written. Without the laboring men being organized, no tariff would insure them a living wage, and by organization and trade-unions, workmen have been able to advance their wages materially in every nation, whether under free trade or the protective system.

FOURTH. THE "LEGAL MONOPOLIES" THEORY

This doctrine originated within the last two decades. It was first advanced by the German economist, Franz Oppenheimer, and has been received with considerable approval among economists. According to this theory, the rate of wages is in large part determined by legal monopolies held by the employers. The employing classes have a monopolistic possession of many of the necessary elements of production, and they can, therefore, exact certain tribute from the wage-workers. The amount of such tribute determines largely the residuum received as wages. On the other hand, there is such a thing as legal monopolies held by the employees. The working classes in some instances may have a monopolistic control or possession of manpower and may thereby be enabled to exact certain concessions from the employers in the form of increased wages. The extent of this legal monopoly of man power determines largely the concessions that the employers will make to the employees in the form of wages.

FIFTH. THE "MARGINAL CONTRIBUTION" THEORY

I quote from the Principles of Economics, by Frank A. Fetter, professor of political economy and finance in Cornell University:

The law of wages may be stated thus: In any state of the labor market the wages of any labor or class of labor is equal to its marginal contribution; that is, to the value of its products. Each agent in industry, whether it be a plow, a horse, or a man, is valued in connection with other agents, never apart or isolated. It is not the total service any one of them performs that can be got at; all that can be got at is the utility attributed to the last unit of supply. Their marginal contribution determines their importance. Each agent is considered in combination with other things at a given moment under existing conditions of supply.

This statement of the law of wages is broad and appears to be modified in many ways in practice; by changes in industry, by ignorance on the part of the worker, by unequal skill in bargaining; but the law of wages just stated allows for these modifications and is a guide amid the complexity of facts, for it gives a place to the influence of trade-unions, caste, and everything else that affects the labor supply. The law of wages is but the general law of value working itself out amid the special conditions accompanying the gratification of wants by human effort.

The historical school of political economy questions the possibility of constructing any general formula that will explain the wage rate. A great many factors enter into these rates and varying conditions may at different times to a greater or less extent influence the flow of wages upward or downward. Undoubtedly there is much truth in each of these theories. There may be and frequently are secondary causes that intervene and for the time being artificially stimulate or reduce wages. In my humble opinion, the productivity theory and the theory of supply and demand embody the principal factors in the regulation of wages.

OTHER WAGE THEORIES

I may add that there are several other wage theories, namely, cost of production theory, minimum subsistence theory, standard

of life theory, and the iron or brazen theory. Each of these doctrines is founded on more or less reason and philosophy, but time will not permit me to discuss them in detail.

Professor Fetter, of Cornell University, in his work on The Principles of Economics, says:

In America wages at all time have been higher than in England.

* * * The cause of high wages in America appears to be the productive efficiency of industry under existing conditions. Labor is surrounded here with advantages in the forms of rich natural resources and of mechanical appliances such as were never before combined. Because of the scarcity of workers in particular protected industries, wages may be higher in them than in some other industries, but such workers form a small fraction of the population. The claim that the general scale of wages is raised by the tariff protecting this fraction is no less invalid than the sweeping claims in favor of trade-unions.

Adam Smith, writing in 1773, said:

England is certainly in the present times a much richer country than any part of North America. The wages of labor, however, are higher in North America than in any part of England. In the Province of New York common laborers earn 3 shillings and 6 pence currency, equal to 2 shillings sterling, a day; ship carpenters, 10 shillings and 6 pence currency, with a pint of rum worth 6 pence sterling, equal in all to 6 shillings and 6 pence sterling; house carpenters and bricklayers, 8 shillings currency, equal to 4 shillings and 6 pence sterling; journeymen tailors, 5 shillings currency, equal to about 2 shillings and 10 pence sterling. These prices are all above the London price; and wages are said to be as high in the other Colonies as in New York.

This learned economist also points out that colonies of civilized nations advance more rapidly to wealth and greatness than any other human society. And that has always been true. From the beginning of time, in the development of nations and the evolution of our civilization colonies have almost invariably outstripped their mother countries in wealth and all other things that make for comfort and the betterment of mankind.

David A. Wells, an economist of recognized ability and standing, in discussing the wage question said:

Wages are higher in this country because, owing to our great natural advantages, labor intelligently applied will here yield a greater or better result than in almost any other country. It has always been so, even since the first settlements within our territory, and this is the main cause of the tide of immigration that for the last 200 years has flowed hitherward.

Alexander Hamilton, the father of the protective policy, in his celebrated report on manufactures, made before we had any thought of establishing that policy, acknowledged that wages for similar employments were as a rule higher in the United States than in European countries.

Professor Taussig, of Harvard University, in discussing how the tariff affects wages said:

The notion that a high tariff causes general high wages is so flatly contradicted by the plain facts, as well as by simple reasoning, that any elaborated discussion of it would call for an apology if the tariff-and-wages argument were constantly repeated. In truth, few intelligent and unbiased persons would seriously argue that protective duties are the chief cause of high wages in the United States.

Professor Seligman in his volume Principles of Economics says:

If high wages are an evidence of high productive efficiency and go hand in hand with improved machinery or superior natural advantages, high wages may mean low cost. It is precisely in those occupations where wages are highest in comparison with abroad, as in the production of boots, bicycles, cottons, and wheat, that America is able to export successfully, showing that in these occupations at least high wages are no obstacle to cheap production.

This leads to the consideration that the direct influence of protection on wages has been exaggerated; the rate of wages depends, as we know, upon the location of the margin of productivity. Where natural resources are abundant, wages will be high with or without protection. The difference between American and European wages was no less striking before the policy of protection was inaugurated in the United States than it is at present. In point of fact, protection was then demanded on the ground that American wages were high, and no one thought of ascribing the existing high wages to a nonexistent protection. In the same way wages in England have exceeded those in Germany alike during the period of protection and free trade. Moreover, a large part of industry in every country, as the railways, the building trades, and the like, is necessarily local and not exposed to foreign competition. Wages in those occupations are hence not directly affected by a policy of foreign trade * * *. In its crude form the wages argument is not convincing. Protection explains the high wages in America as little as the low wages in Russia. Low wages are found under protection; high wages under free trade.

THE RELATIVE EFFICIENCY AND PRODUCTIVITY OF AMERICAN AND ENGLISH LABORERS

Of course economic, business, and labor conditions have been so seriously upset in Europe as a result of the World War that comparisons between the wages in the United States and England at the present time are obviously unfair and establish nothing. The industrial forces in the United States were not disorganized or depleted by the war, but tremendously stimulated and enriched, while the war left Europe impoverished, burdened with billions of indebtedness, national wealth dissipated, trade prostrated, financial systems broken down, taxation heavy and extremely burdensome, the buying power of the people destroyed, and with millions of idle men and women struggling for bread.

From a financial standpoint the World War was of tremendous benefit to the American people. We multiplied our wealth by leaps and bounds, and it is perfectly natural that after the war we should continue to forge ahead and increase our lead in the race for economic supremacy.

But before the World War industrial and wage conditions were normal in the United States and throughout Europe, and if we go back to the pre-war period we can make a comparison between the relative efficiency and productivity of European and American labor.

In support of my contention that American labor is not much better paid than English labor, when the efficiency and productivity of each are considered, I call your attention to some tables from the Dictionary of Tariff Information, issued in 1924 by the United States Tariff Commission, and published as an official document. The first table to which I call your attention shows:

Wages spent in various countries for unit of value added by manufacture

Industry	Amount spent for wages for every \$1,000 added by manufacture	
	United States (1909)	United Kingdom (1907)
Wire and manufactures of wire.....	\$401	\$498
Tin plate.....	545	744
Cutlery and tools.....	490	640
Clocks and watches.....	538	617
Automobiles, bicycles, etc.....	419	544
Railway cars.....	604	505
Furniture.....	500	559
Cotton goods.....	516	597
Bleaching, dyeing, and finishing.....	440	506
Linen, jute, and hemp goods.....	454	490
Woolen and worsted goods.....	474	552
Silk goods.....	433	601
Hosiery and knit goods.....	498	583
Clothing, handkerchiefs, and millinery.....	410	456
Boots and shoes.....	547	594
Gloves.....	457	439
Shipbuilding.....	600	679

Now, what do these statistics prove? They undoubtedly establish the following facts:

(a) That in the lines of industry mentioned above the American workman is poorer paid for what he accomplishes than the English laborer.

(b) That while the daily wage of the American laborer may be more, he is no better paid when you take into consideration what he produces for his employer. That is to say, relatively speaking, he gets no better wages when his productivity is taken into consideration, because he produces more wire, more cutlery and tools, more yards of cloth, more linen, jute, and hemp goods, more woolen and worsted goods, more silk, hosiery, and other commodities than the English laborer. The American laborer does not get as much for making a thousand pounds of wire as the English laborer; nor as much for weaving 1,000 yards of cloth as the English weaver; nor as much for his labor in producing 100 pair of hose, 100 knives, 100 watches, 100 handkerchiefs, or 100 pair of boots or shoes, and this is true in practically every other line of industry.

Gloves and the manufacture of railway cars furnish the only exception.

(c) For adding \$1,000 to the value of the material he is processing the American laborer gets a smaller compensation than the English laborer. Or to state the matter in a different form, for creating \$1,000 worth of new wealth for his employer, the American laborer gets a smaller compensation than the English laborer engaged in the same line of work.

A few detailed references to these statistics will be sufficient to emphasize the fact that when the productivity of the American laborer is considered, he is poorer paid than the English laborer. For instance:

In the manufacture of wire, for every \$1,000 added by a manufacturer, the American employer pays \$401 wages, while the English factory owner pays \$498 or \$97 more.

The American tin-plate worker for every \$1,000 added by manufacture, the workman receives \$545, while the English workman for the same service gets \$744 or \$199 more.

In the manufacture of cutlery and tools, for every \$1,000 added by manufacture, the employer pays \$490 for wages, while the English manufacturer of cutlery and tools pays his workmen for the same service, \$640, or \$150 more.

In the manufacture of cotton goods, for every \$1,000 added by manufacture, the American factory owner pays \$516 for wages, while for the same identical service the English textile mill owner pays \$597 wages, or \$81 more.

And, quoting from the dictionary of tariff issued by the United States Tariff Commission:

It may seem from the above table that, despite higher wages in the United States, producers' labor costs in this country were in general relatively lower than in England.

The makers of gloves and railway cars in the United States were the only two groups of workmen who were receiving less for processing \$1,000 worth of raw material than the same class of workers in Europe.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. LOZIER. Yes.

Mr. GIFFORD. But did it take those people twice as long to do that as it took the American labor?

Mr. LOZIER. No; because American labor is more productive and more efficient, and the gentleman knows that whether or not one wage is higher than another depends on how much each produces. Suppose the gentleman and I are working side by side, and he operates 10 looms, produces 100 yards of cloth, and gets \$5 wages for that work, and I operate 5 looms and produce 50 yards of cloth. I get only \$2.50 a day; will the gentleman contend that he is getting higher wages than I? He gets twice as much but does twice as much work and produces twice as many yards of cloth. You must take into consideration the productivity of labor, and there never was a time when American labor did not produce more commodities in a given number of hours than his European competitor.

Mr. GIFFORD. If a workman produces a certain amount of wealth, you should take into consideration the weekly wage. The amount paid has nothing to do with it.

Mr. LOZIER. Oh, yes. The amount of wages affects the production costs. The manufacturer says, "On account of the high cost of labor I am not able to fabricate these articles here in competition with the labor of Europe. Yet Mr. Blaine, and Mr. Frelinghuysen, and Mr. Evarts and practically every authority on political economy say that when you reduce this matter to a production basis you will find that the production cost of manufactured products in America is generally less than the production cost in Europe."

I quote again from the publication mentioned a few minutes ago:

The fact is that, while workmen in foreign potteries receive less in wages than the American, they do not give as valuable a return for their wages.

The Tariff Board reached the following conclusions in regard to cotton manufacturers:

It may be stated that, in the case of a large variety of plain goods, the labor costs of turning yarn into cloth in the United States is not greater, and in some cases lower, than in England. For cloths woven on automatic looms this is especially the case.

And again the Tariff Board said:

Wages are much higher in the United States, but wages are in themselves no necessary indication of relative cost of production. Frequently it is found that high wages and low labor costs go together.

And in discussing the cost of producing silk in Japan, the United States Tariff Commission in 1921 made a report as follows:

The average Japanese cotton mill pays each operative a wage amounting to about one-fifth of that being paid in the Southern mills of the United States, where products are most nearly similar to those in Japan. Owing to the necessity of employing about four times as many workers in order to operate the same number of spindles or looms and accessory machinery, the total wage cost to the average Japanese mill of operating a given amount of machinery per 10-hour

day amounts to between 70 and 80 per cent of the similar cost to the American mill.

Moreover, the low skill of the operatives impairs the production of the finest grades of goods.

OUR SO-CALLED INFANT INDUSTRIES

As to the necessity of protecting infant industries by high tariff laws, I will say that there might have been some merit in this argument a hundred or more years ago, when we did have some "infant industries," but that argument is not now appealing in view of the fact that our so-called infant industries have now grown into giant monopolies that earn enormous profits and dominate not only our domestic markets but successfully contend for their share of the trade in lands beyond the sea.

John Stuart Mill, the great English philosopher, though vigorously opposing the protective theory, conceded that it might be a wise policy for a young nation, whose industries had not been firmly established, to grant a reasonable degree of protection for the benefit of their embryonic industries. This so-called infant-industry theory was advanced by Alexander Hamilton in his celebrated report On Manufactures a few years after the enactment of our first tariff law. It was developed by Daniel Raymond and afterwards amplified and reduced to a theoretic formula by Friedrich List, a German economist. The doctrine proceeds on the theory—

that just as children need the fostering care of their parents during the period of infancy, so the feeble and newly started industries need to be carefully protected during their years of weakness.

But it can not be seriously contended that our American industries are feeble or newly started enterprises. They have emerged from the infant and adolescent period and are now adults, fully grown, vigorous, able to take care of themselves in any contest with any of the industrial forces of the world. Instead of being infant industries they have become powerful trusts, earning wealth and commanding power of almost inconceivable proportions.

In the language of Professor Seligman:

With the lapse of every decade and the growth of the infant industries into lusty manhood the argument becomes continually weaker, and protection becomes less defensible as a permanent policy.

Indeed, no well-informed political economist or advocate of the protective system now uses the so-called infant industry argument, but it has given place to the new doctrine of "variegated production" argument which discards one point in the Hamilton-Raymond-List theory but accepts the other. The "variegated production" argument features the idea of national industrial independence and a so-called, well-rounded economic development.

Professor Fetter, of Cornell University, has this to say about the infant industry argument:

In the American colonies the manufacture of iron, cloth, hats, ships, and furniture sprang up not only without protection but despite numerous harassing trade restriction made in the interest of the English merchants; and they continued in some cases despite their absolute prohibition by Parliament. Can it be doubted that many of these industries would have developed and flourished in America under no fostering influences than those of rich resources and of economy in freights. * * *

Industries capable of eventual self-support must in most cases naturally appear in due time. It is a trite but valid remark that protective tariffs are often like hothouse culture, anticipating the season by a few weeks and at great cost.

DO HIGH TARIFFS REDUCE THE PRICE TO AMERICAN CONSUMERS OF COMMODITIES PRODUCED IN AMERICAN FACTORIES?

In answer to the question, does protection tend to cheapen manufactured products, David A. Wells answers:

One answer to this is, that if protection is to be recommended because it leads ultimately to cheapness, it were best to begin with cheapness. Another answer is to be found in the circumstance that not a single instance can be adduced to show that any reduction has ever taken place in the cost of production under a system of protection, through the agencies of new inventions, discoveries, and economies, which would not have taken place equally soon under a system of free trade; while, on the contrary, many instances can be referred to which prove that protection, by removing the dread of foreign competition, has retarded not only invention but also the application and use of improvements elsewhere devised and introduced.

I may add that if the protectionist really believed that higher rates would reduce the price of their manufactured products they would not swarm about the Capitol demanding an increase in tariff schedules. And again if the protective tariff system makes the price of manufactured commodities cheap in the

United States, then by the same process of reasoning free trade should make commodities higher in England, but on the contrary, prices of manufactured commodities are lower in England than in the United States. The fundamental reason advanced for a protective tariff is that it enables the manufacturers to sell their commodities at a higher price than would obtain without such tariff.

By enacting this measure the Republican Party does not fulfill the promise Mr. Hoover made to the American people. Instead of relieving the distress of agriculture, it adds to the living expense and burdens of the farmer. It will substantially add to the cost of the supplies the farmer needs and must buy. It will widen the gap between the price the farmer gets for his commodities and the price he pays for his supplies. In only a few particulars will the tariff on farm products be effective. It can not be effective as to wheat, corn, and beef unless provision is made for control of the surplus, and this is not done. By this bill the farmer is being hoodwinked again. I can not vote for it. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield 30 minutes to the gentleman from New Jersey [Mr. EATON]. [Applause.]

Mr. EATON of New Jersey. Mr. Chairman, ladies and gentlemen of the committee, I have listened, as we all have, to this discussion, and I still believe in a protective tariff. [Applause.] We have ranged all the way from the Stygian gloom that shadowed the mind of the distinguished gentleman from Illinois [Mr. HENRY T. RAINEY], in which he laid down the doctrine that this bill was conceived in sin and shapen in iniquity and is entirely bad. We have ranged from that depth to the lofty optimism expressed to us by the distinguished chairman of the committee. In spite of these confusing arguments on both sides I wish as a Member of this House and as a Representative from New Jersey to express my personal thanks to this committee for the very difficult task they have performed in our service. They have been forced to traverse the entire economic structure of the Nation, which is so vast, so complicated, and diversified and which is connected with such tremendous world issues that it seems to me almost beyond human capacity for them to have brought any kind of a bill before us.

I wish, speaking as a Representative of the State of New Jersey, first of all to express the views of our people on this bill so far as I have been able to determine them. While we are a great agricultural State, measured by area the first in this Nation, our farmers are not in the forefront of those who are clamoring for farm relief. We have conditions that are favorable. We lie between the two greatest markets in the country; we have a great consuming population at our door. Our people have immense interests in dairying, in fruits, vegetables, and in grains, and while they are hoping for some relief from this bill they are meanwhile manfully and heroically undertaking to work out their own salvation within the limits of the State. They are seeking continually for better transportation, for better organization in marketing, better information to be applied to their problems and they are making progress; but they hope to have some help from this bill.

While we have a great agricultural State we are also among the first in industry. We have over 8,000 industrial plants; we employ over 400,000 workers; we pay them over a half billion dollars in wages; and we produce three and half billion dollars worth of goods every year within the limits of our little State of less than 8,000 square miles. During the first nine months of the present fiscal year the citizens of New Jersey have paid in taxes to the Internal Revenue Department of this Government several million dollars more than 22 other States of this Nation combined. So when I come here representing those people I can say truthfully that we have a right to ask for consideration in this bill concerning our chief problems.

First of all I want to report that the people of my State are strongly in favor of a duty on bricks and cement. [Applause.] We have in my district, which is recognized as highly intelligent, a great brick industry. There is an investment of \$15,000,000 in that industry and it employs over 1,000 people. We use coal from a number of mines and we give to the railroads a great tonnage in transportation. At the present rate—and I have made a careful examination of these facts—of the importation of bricks, rough bricks, brought over mainly as ballast, in five years we would not have a brick produced in our district, and personally, as an American and as a Representative of our people, I am in favor of any legislation which will save this industry to our people, which is our first duty, of course.

Now, the same may be said of the tariff on cement. That has been argued here. We heard a very able argument about it this morning by the gentleman from Iowa, but I do not know whether his argument was for or against it. However, it was an argument. At any rate, we in New Jersey are in favor of a

duty on cement for the same reason that we are in favor of a duty on brick.

There is no time to take up in detail—and I would not ask your attention if I had the time—the question of a tariff on boots and shoes. That has been ably presented by the gentleman from Massachusetts [Mr. ANDREW], and we are interested in that. We are interested in woven wire and other steel-wire products. We are interested in shingles and other lumber items. We are vitally interested in them, and our people, like the people of all the States, want a tariff on one kind of thing and no tariff on another which will be good for them. That is what this bill is for, to find some way of doing something that is good for each section of the country.

I wish, however, to lay emphasis upon two items, both of them somewhat controversial. The first is with reference to a duty on manganese ore. I understand, of course, that there are Representatives here who are strongly in favor of a high duty on manganese ore. Manganese ore, as you know, and its processed product, ferromanganese, are absolutely necessary in steel making. From 400 to 550 pounds of ferromanganese go into the production of every ton of manganese steel castings produced and from 15 to 20 pounds in ordinary steel. While there is no objection to a reasonable duty on ferromanganese, there are, in my judgment and in the judgment of my people at home, two cogent reasons why there should be no duty on manganese ore.

I give you these facts. There will be no difficulty for somebody else to bring facts in here exactly opposite, and you will have to take your choice. I wonder that the members of this committee have retained their sanity as they have listened for two months to arguments and facts and figures contradicting each other continuously, and all supported by the highest kind of moral rectitude. But the facts I have to present were presented by an independent committee of geologists and metallurgists and engineers from the Mining and Metallurgical Society of America and the American Institute of Mining and Metallurgical Engineers in 1922.

They found that the metallic content of manganese ore reserves in the United States, proved, possible, and probable, using their phrase, does not exceed one million and a half tons. I give these facts on that authority. In the last six years our domestic consumption of manganese metallic content was over 2,000,000 tons, of which 101,000 tons, or 5.6 per cent, was produced in the United States. The rest was imported. It is estimated that our domestic consumption of manganese ore in the next five years will exceed two and a half million tons or one million more than our total available domestic reserves.

It seems to me if these figures are correct—and I have no reason to question them—we ought to conserve our entire domestic manganese ore resources, much of which is of low manganese content, for our protection and use in the event of war, and we ought to put manganese ore used in such large quantities in our essential industries, which is shipped to us from Brazil and Russia and India, on the free list.

I want now to say a word about the pottery industry. New Jersey is the second largest pottery center in this country and the largest center in New Jersey is in my district.

Mr. SUMMERS of Washington. Will the gentleman yield before he leaves the subject of manganese ore?

Mr. EATON of New Jersey. Yes; I will be pleased to yield.

Mr. SUMMERS of Washington. I think the gentleman must be mistaken about the amount of manganese ore in reserve in this country. I believe there is immeasurably more than the amount referred to by the gentleman out in the State of Washington, as well as similar deposits in a number of other States, so I think we do not need to conserve it, but to utilize it.

Mr. EATON of New Jersey. The authorities I quote are geologists and metallurgical engineers, and I am neither. If they are wrong and you will enlighten them, I know they will be grateful to you, Doctor.

In the pottery industry in New Jersey we are facing a crisis. The gentleman from Iowa [Mr. RAMSEYER] this morning very ably described a change in pottery manufacture. He described the tunnel kiln. The tunnel kiln is the beginning of improved methods in pottery production in this country, and there is no doubt that the industry needs a great improvement in its methods. But here is a singular fact.

It takes a crew of about 10 men to run one of these kilns. They get \$5 a day, and the output of that kiln costs in labor, which is from 60 to 75 per cent of the cost of a pottery article, \$50. In Germany they have the same kind of kilns, and let me say here that the great German nation is coming back strong, because more than any other country in the Old World it is developing an ability to mass its intellectual resources and its scientific knowledge in the interest and service of its people and of their commerce.

In Germany they have these tunnel kilns, and they are manned by 2 men who receive \$1.25 a day apiece and by 10 women who receive 50 cents a day apiece; that is to say, the crew on that kiln over there competing with us receives \$7.50 for their labor while our crew gets \$50. This is what we are facing.

Gentlemen, the problem in pottery, as in many others, is a problem of the wage levels. We pay in this country an average of 70 cents an hour to a pottery worker. They pay in England 22 cents. They pay in Germany 17 cents. They pay in France 10½ cents. They pay in Poland 9 cents. They pay in Japan, our greatest competitor, 8 cents; and they pay in China 4 cents.

The distinguished gentleman who just spoke to us appeared to believe that the wages of labor are paid out of capital. There is only one source for the wages of labor, and that is in the production of the worker; and the reason we have a higher wage in this country—or one of the reasons—is that we have great machinery and great power and fine management and unlimited capital and magnificent cooperation between the worker and the management; and the result is that at the end of the day the American worker has produced the largest mass of commodities of any worker in the world. [Applause]. And out of this he receives the highest wage. And because he has the highest wage he has a surplus, and because he has a surplus he is able to reinvest that in the commodities that are produced by his fellows in other walks in life.

The pottery industry is going before the Ways and Means Committee to ask for some changes in their schedules. I hope they will receive us kindly, and, possibly, may do something for us.

I wish to turn from these local considerations to what seems to me, at least, to be the supreme central question which is brought before us by this tariff revision.

Gentlemen, I have been impressed with a kind of confusion and unconscious embarrassment which seems to lie back of the minds of most of the men who have discussed this subject. I find it in the bill itself and in the report itself. Why? Because for the first time in our history we are making a tariff bill under absolutely new conditions.

What is the first tremendous change in our world relationships to be affected by this tariff? It is the fact that we have become in the last decade the chief creditor Nation of the world, whereas in other days we were always a debtor Nation. We have ten or fifteen billion dollars owing to our Government from other governments in the world. We have invested in private enterprises in other nations over \$11,000,000,000, and the folks that have made this investment are beginning to wake up and ask themselves a very pertinent question—how are they ever going to get their money back? And when you come here and face the problem of raising the tariff you are facing the problem of putting a tariff against the folks that owe you money. At this point emerges the problem of good will as affecting our foreign trade. This will please my friend, Mr. GARNER, of Texas, but I have to admit that it is there. Tariff or no tariff, high or low, the fact is that as a creditor Nation we are confronting a new problem in tariff making.

There is another and still profounder consideration affecting this whole matter, and that is that we are concerned here with the consuming capacity of the masses of men. Here is the central economic problem of the world to-day—not production, but consumption—the increase of buying power among the masses of men.

The rich man is of very little value in consumption. He can buy a few luxuries like diamonds and yachts but he can wear but one suit of clothes at a time. He can only eat a small portion of food. He can only occupy one space at a time. It is the high buying power of the masses of men that forms the rock-bottom foundation of our magnificent economic structure in this country.

We have gone far toward solving this problem of buying power. And we have solved it by setting up the highest wage level that the world has ever known. That is what we have got at stake.

I am a high-tariff man and I am going to vote for this bill, but I have serious doubts if any tariff rates conceivable by man will be able to keep the high wage level now established in this country without devising at the same time some means of bringing other nations up to our level. Either we are going down or they are coming up. Whether we want to face it or not, that is the tremendous disturbing fact in the economic condition of the world at the present time.

That brings me to a thing that I am most in favor of in this bill, and that is the flexible clause.

I will illustrate my view in two ways: Czechoslovakia five years ago sold to the United States 447 pairs of shoes. Last year they sold a million and a half pair. They pay in Czechoslovakia starvation wages. They have a tariff against our shoes. An inflexible American tariff rewards Czechoslovakia for destroying our shoe industry.

Take Cuba, halfway between Czechoslovakia and the other extreme. Cuba is in a real sense a ward of this Nation. In many ways we more than any other country in the world are responsible for the well-being of Cuba. In 1927 Cuba exported \$322,000,000 worth. We took 79 per cent of that. Cuba imported that year \$257,000,000, and we sold her 60 per cent of that. We are about to put a duty on sugar, that is the sum total and foundation of economic prosperity in Cuba. Out of that industry comes 70 per cent of the buying power of the Cuban people.

We have a right to do it and we may be under the necessity of doing it. My people in New Jersey are not going to be strong for it unless they are assured that the American companies now engaged in the processing of beet sugar are not making abnormal profits and really need protection and, further, that the proposed increase of our duty on Cuban sugar will not destroy the purchasing power of the Cuban people.

Mr. COLTON. Before the gentleman leaves that will he yield?

Mr. EATON of New Jersey. Yes.

Mr. COLTON. I understand that the imports from Cuba are practically twice our exports to Cuba, so that even our present arrangement gives that country an advantage that no other country in the world has against us.

Mr. EATON of New Jersey. I am glad to have that ray of light introduced into the Stygian gloom of my remarks.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. EATON of New Jersey. Yes.

Mr. GARNER. Take your Czechoslovakia illustration. Under this proposed bill you would have no remedy under the flexible clause.

Mr. EATON of New Jersey. No; and that is why we want a tariff on boots and shoes, if you will let us have it.

Mr. GARNER. You will not give us a chance.

Mr. EATON of New Jersey. We will have to talk to the committee.

Mr. GARNER. The gentleman should address his remarks not to me, but to the committee that is making up the bill, to the exclusion of the Democrats.

Mr. ARENTZ. And if I remember correctly the gentleman from Texas [Mr. GARNER] said a few days ago something to this effect, that the President of the United States should not be given any more power with regard to a tariff bill, and if you have the flexible provisions of the tariff extended that is what you will do.

Mr. EATON of New Jersey. Of course, and while theoretically we are all deeply shocked at the suggestion of increasing the bureaucratic power of the Executive branch of our Government, yet we spend most of our waking time here in endeavoring to give it more power.

Mr. GARNER. And does the gentleman believe in that policy?

Mr. EATON of New Jersey. No.

Mr. GARNER. Then why does he go to the extent of taking away from Congress the power under the Constitution of levying taxes and repealing taxes?

Mr. EATON of New Jersey. I do not.

Mr. GARNER. But the gentleman is advocating it now when he advocates the flexible provision.

Mr. EATON of New Jersey. Oh, the gentleman is about three laps ahead of me. I have not yet made my statement. I thank the gentleman for his amazing gift of knowing what I am going to say, when sometimes I do not even know myself. [Laughter.]

Let us take Canada now. The agricultural relief, so far as this bill goes, consists largely as far as I can see, in protecting the downtrodden and oppressed agriculturist of our country from a dangerous onslaught on the part of those Canadian people.

Let us face the economic relations that lie between this country and Canada. Last year Canada was the best customer and the largest customer that this Nation had. She purchased from us \$825,000,000 worth of goods and we bought from her \$492,000,000 worth of goods, leaving a balance in our favor of \$333,000,000. The Canadian people purchased from us last year at the rate of \$82.50 per head of their population. Of course, there are invisible arrangements like the thirsty Americans that cross the line to become liquidated, and other matters of that kind in the way of tourist traffic, but the fact is that with

10,000,000 people Canada is the best and largest customer outside of this country that we have in the world.

Let us look at some of these imports and exports. Canada imported last year from the United States agricultural and vegetable products to the extent of \$103,000,000, and she sold to the United States agricultural and vegetable products to the extent of \$57,000,000. She bought from the United States \$77,000,000 of fibers and textiles and sold \$4,600,000 to this country. She bought from the United States \$289,000,000 of iron products and sold us \$9,000,000 worth. She bought from us of nonmetallic minerals \$126,000,000 and sold us \$16,000,000 worth. In farm implements she bought \$48,000,000 from us and sold us \$3,200,000. In automobiles she bought from us \$91,000,000 and sold us \$215,000, just a mere nothing. She bought from us \$1,500,000 worth of binder twine and sold us less than half a million dollars' worth. She bought from us \$6,000,000 worth of aluminum and sold us none. She bought from us \$50,000,000 worth of machinery and sold us \$275,000 worth. She bought from us \$1,156,000 worth of boots and shoes and sold us \$281,000 worth.

I am for anything that will put agriculture in this country on a level with industry, and it will not be very high then. We have just gotten started. We have not reached any economic millenium, and this bill will not usher in the Kingdom of God here or anywhere else. But we are on the way. I am in favor of any legislation which will assist the vast agricultural interests of this country to march from the gloom which has enwrapped them in the past years; but while we take that stand we have to face the fact that a tariff which is exactly the same against Czechoslovakia and Canada on the one hand penalizes our best customer and on the other rewards our worst. That seems to be, in the very nature of things, an economic absurdity. It is a breeder of ill will, and in private business would be labeled as undiluted stupidity.

I think it is the duty of American organized labor to take a leaf out of the book of the Soviet and send their missionaries to the other nations of the world to tell them how and why American labor is the highest-paid labor in the world. There is only one way in which we will finally solve the economic problems that confront us to-day, and that is not by some local titillation, not by some little local palliative, but in the last analysis we can only solve the economic problems of our own country and of mankind by forcing or leading or helping the other nations of the world to achieve a buying power commensurate with our own. [Applause.] When we do that we can buy anything that they have and pay for it, and they can buy anything we have and pay for it. I am willing under those conditions to back the American farmer and the American workman against any similar worker on earth.

I would begin with Canada, because the buying power of the Canadian people more nearly approximates our own than any other country. This flexible scheme is just in the beginning; it is tentative; it may be right; it may be wrong; and most of us are wrong a good deal of the time.

I have lived long enough to believe that the man who is right half of the time is a genius. We may cherish the delusion that we are right most of the time. I may be wrong; but as I look forward I see this Nation inevitably taking its place as the leading world power. I see our country tied up in world relationships that must dominate us each and every day. And our problem is to retain the achievement we have made in the distribution of wealth among the masses of men so that we have the greatest buying power in the world. We should begin with Canada, because she has the highest buying power next to our country in the world. And she has that because she has the same wage levels that we have.

I believe in giving the Canadians a square deal and then go down the line and inspire or educate or, if necessary, force low-wage countries competing with us to pay adequate wages instead of sweating their workers. In that way alone can those peoples buy automobiles and other commodities as we do and thus become consumers of our products as Canada is.

We have upwards of 20,000,000 people holding industrial and utility securities. We have around thirty billions of money in our savings institutions, put there by 50,000,000 depositors. We have ninety-five billions in life insurance.

In all this Canada stands next to us. We ought to join with Canada in proclaiming the gospel of high consuming power among the other nations and not reduce Canada to the same level as Japan or China under the terms of an inflexible tariff.

When that time comes we shall have achieved a place of moral leadership among the nations which, in my judgment, can never be achieved by mere legislation, tariff or otherwise. [Applause.]

Mr. GARNER. Mr. Chairman, I yield 20 minutes to the gentleman from Georgia [Mr. LANKFORD].

The CHAIRMAN. The gentleman from Georgia is recognized for 20 minutes.

Mr. LANKFORD of Georgia. Mr. Chairman and ladies and gentlemen of the committee, I asked the Democratic leader for this time in order that I might present some observations concerning the present tariff bill, concerning the so-called farm relief bill, which has passed the House and is now reported back from the Senate, and concerning the present session of Congress which has been called by the President of the United States for the purpose of putting agriculture on an economic parity with other industries.

I shall make these observations for three reasons: First, with the hope of encouraging those who are making a fight for the farmer and the common people to put forth greater efforts, and, if possible, to lead some of those who are not rendering a real service to the farmers of the United States and who feel that the farmers are not worthy of their best efforts to turn before it is too late and recognize the farmer at his true value and position. I sometimes have very little hope along this latter line, and yet I know it is true—

As long as the lamp holds out to burn
The vilest sinner may return.

Again, I wish to make this statement for the purpose of going on record and letting this Congress know and the country realize that this humble Member of this House has very little faith in the farm bill which was passed and believes that the present tariff bill will heap up the farmer's burdens more than it will relieve him, and when this special session of Congress adjourns the farmer will be worse off than he was when the session was called.

Again I wish to make this statement in order that future generations may know that when I passed this way and considered these bills that are before us now, I had certain definite thoughts concerning them, and that I expressed these views and felt that neither the Democratic Party nor the Republican Party were measuring up to the high standard as legislators that they promised to the farmers of the Nation in their platforms.

Both the Democratic Party and the Republican Party promised to the farmer, it is true, the enactment of certain laws, but they said that those laws would put the farmer on an economic parity with other industries. I do not believe the farm bill that we have passed will do that. I know that the tariff bill which is now before us will change and improve the economic position of the manufacturing interests and not the interests of the farmer.

Mr. WILLIAMS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LANKFORD of Georgia. Yes; I gladly yield to my good friend from Illinois.

Mr. WILLIAMS of Illinois. May I ask the gentleman what specific promise was made in either platform as to the kind of legislation to be enacted that has not been reasonably carried out by the present House of Representatives? When I read both platforms I am of opinion that our legislation squares with the platforms of both parties.

Mr. LANKFORD of Georgia. The platforms were largely confined to platitudes to please the farmer, promising to put him on a parity with other industries. Then we passed the so-called farm relief bill here, which will not in any sense of the word put the farmer where both Democratic and Republican Party platforms promised to place him.

Mr. WILLIAMS of Illinois. Both parties promised to create a farm board and to establish cooperative marketing. That has been done in the farm relief bill. Both parties promised to furnish ample resources in order to set up those things. Those promises have been written into the bill which was passed by the House.

Mr. LANKFORD of Georgia. That is true, but both parties promised the farmer that they would create a board and put at the disposal of that board enough money to not only do these things but also to place the farmer on a parity with other industries.

Mr. WILLIAMS of Illinois. That is what we have done.

Mr. LANKFORD of Georgia. No; I doubt it. You have given that board unlimited power and have said to the board, "We do not know what in the world to do with the farm problem, but we hope you will find out what to do about it and will do it."

Mr. WILLIAMS of Illinois. We have put into the law a measure that will establish cooperative marketing associations. Those were the things we specifically promised in both platforms.

Mr. LANKFORD of Georgia. You promised to go farther and place the farmer on a parity with other industries. Do you think this tariff bill places the farmer on a parity with other industries?

Mr. WILLIAMS of Illinois. I think it goes a long way in that direction, and I think the farm bill will help the farmer to reach an economic parity with other industries.

Mr. LANKFORD of Georgia. I think this tariff bill gives some increases to farmers that are really worth while, but the great trouble with the tariff is that so far as the farmer and the ultimate consumer are concerned, every time you give them \$1 you take \$10 out of their pockets.

I will say to my good friends here that you can not write a tariff bill for my section which will place the farmers of my section on a parity with other industries while you write a high tariff on all manufactured articles. You can not do it. If you were to put an embargo on every commodity grown in the State of Georgia you would yet not be able to raise the farmer to a parity with other industries by a tariff when you put a tariff on the other manufactured articles which are written in this bill and which are protected in the bill. I am convinced we can never solve the farmer's problems by a protective tariff. I am convinced that there is no way under the sun, by this tariff bill, for us to do anything for the farmer of my section more than offset, to some extent, the evil effects of the vicious provisions of the bill. In so far as the South is concerned, if you were to write a tariff which would amount to an embargo on the farm products, yet when you put your high tariff on the manufactured articles the farmer would lose more than he would gain by a tariff bill. Then, again, the farmer never gets a square deal in the writing of a tariff bill; the farmer never gets a square deal in the preparation and in the presentation of a matter before the committee. I do not wish to say that the members of the House Committee on Ways and Means are dishonest, but what I do mean to say is this, that the great interests of the country, the manufacturing interests, the great steel corporations, are able to come before that committee with greater pressure than the farmers. The average farmer only realizes that he will lose a small amount by the tariff and he can not afford to employ a lawyer to come before the committee. The average consumer says, "Oh, well; they may run the price of my sugar up, but maybe my Congressman will take care of it." He can not come and make a presentation for the consumers of sugar.

Mr. MICHENER. Will the gentleman yield?

Mr. LANKFORD of Georgia. I will be glad to yield to my friend.

Mr. MICHENER. Do not the farm organizations appear here by experts and by their Washington representatives, men selected by the farmers themselves who remain in Washington the year round, who maintain bureaus to study these matters, and do not these organizations bring to the committee all the information which the farm experts have?

Mr. LANKFORD of Georgia. Well, that is true; they bring information to the committee, and yet that farm bureau does not have the money back of it that is back of the big corporations, with their millions of money; they are not able to get the experts and they are not able to make campaign contributions which will make the people who sit on the committee feel as kindly toward them as they do toward the big corporate interests. After all, they do not get a square deal. You take the Interstate Commerce Commission, for instance. The railroads are able to go there with abler lawyers than the man who rides on a ticket. The railroad people go there with abler lawyers than the man who pays the freight down in my district. In other words, great wealth, great corporate wealth, if you please, is able to hit sledge-hammer blows for every ounce of weight that the farmer is able to put on any committee.

Mr. WILLIAMS of Illinois. Will the gentleman yield?

Mr. LANKFORD of Georgia. Yes.

Mr. WILLIAMS of Illinois. My understanding is that the farm organizations throughout the country, in the main, have recommended an increase in the tariff on sugar. Am I mistaken about that?

Mr. LANKFORD of Georgia. Some of them evidently believe this would help the farmer who grows cane and beets.

Mr. WILLIAMS of Illinois. As far as I know they are unanimous in their indorsement—at least in our section of the country—of an increased tariff on sugar.

Mr. LANKFORD of Georgia. That may be true.

Mr. WILLIAMS of Illinois. The gentleman was suggesting that the farmers were being overreached in the duty that was placed on sugar when, as a matter of fact, they came here

and through their representatives appeared before the committee and urged an increase in the rate on sugar.

Mr. LANKFORD of Georgia. I was not intending to go into a discussion of any specific item in the bill. I am just arguing the proposition generally that in all these matters wealthy people come with briefs and with lawyers and have more force before committees and before various boards than the farmer and ultimate consumer, and the farmer is not as fully heard as is great wealth, which is insisting that certain rates be put on. This is true in committee hearings, board hearings, and in commission trials.

I know that the hearings by the Ways and Means Committee on the tariff bill, for instance, were held just down the hall from my office, and I know that very few farmers went down there to represent the farmers, but I saw dozens and hundreds of men with large brief cases proceeding down that hall and standing around the door so you could hardly get past the door while the hearings were going on, and nearly all of those men were representing the big interests of the country.

Mr. MICHENER. Will the gentleman yield?

Mr. LANKFORD of Georgia. I am glad to yield to the gentleman.

Mr. MICHENER. Does the gentleman minimize the fact that the farmers are represented here by certain distinguished Representatives as the gentleman now speaking, who has the privilege of the floor of the House and who takes advantage of that privilege two or three times a week to speak for the farmers, while these other men must go before the committee?

Mr. LANKFORD of Georgia. I thank the gentleman very much for that statement and I was just coming to that part of my argument. The farmers' only hope are the Representatives in Congress, and when you bring in a bill like this tariff bill and bring in a rule to shut off their right to offer amendments, you deprive the farmer of the only hope left to him. [Applause.]

Mr. MICHENER. Does not the gentleman appreciate the fact that it takes a majority of the House, expressing the will of the Members of the House, who are the Representatives of the people, to bring in any rule?

Mr. LANKFORD of Georgia. I realize that it takes a majority of the House to bring in a rule.

Mr. MICHENER. It will be majority rule and it will be a majority of the Representatives of the people speaking.

Mr. LANKFORD of Georgia. Yes; and I realize another thing just as fully. You do not appeal to all the Members of the Congress to vote for a bill just because your farmers want it done. The appeal is made that you had better stand with the Republican Party, and that same appeal has been made on my side when the Democratic Party was in power—that we ought to stand with the Democratic Party. The appeal is made that you ought to stand with your party regardless of what is right, and not to embarrass the President. I certainly would not embarrass the President of the United States. I said before Mr. Hoover was nominated that I hoped the Republican Party would nominate Mr. Hoover, because if the Democrats did not elect a good man we would then have a good man elected by the Republicans, and I saw in the Washington Post the other day a cartoon representing two men, one supposed to be a United States Senator and one supposed to be a Member of the House of Representatives, and they were saying to each other in this cartoon, "I wonder now what we can do to further embarrass the President."

I can tell you what you can do to further embarrass the President. I will gladly tell you what to do not to embarrass the President.

Mr. MICHENER. Did that make such an impression on the gentleman's mind that he is now trying to carry out the thought expressed in the cartoon?

Mr. LANKFORD of Georgia. No; but it made an impression on my mind so that I can tell you what to do if you want to embarrass the President. If you want to embarrass the President just pass this farm bill and the present tariff bill, without giving the farmers a square deal and raise the duties on manufactured articles, as they are raised in this bill, and then let the people of the country find out just what is in the bill, and you will embarrass the President in that way much more than you would embarrass the President if you were to write a good bill, and bring in a rule which would open the bill up for amendment and give the representatives of the people, Mr. MICHENER, the right to be heard. That is their only hope. You are right about that. That is the only hope they have. Please do not cut that off, but give us a chance to offer whatever amendments we may wish to offer to the bill, perfect the bill, and when you do that and pass it, President Hoover will not be embarrassed, but will be well pleased, because then Congress will have passed a really worth-while bill.

Mr. WILLIAMS of Illinois. The gentleman does not think the President is going to be embarrassed by anything we do here—we may be embarrassed.

Mr. LANKFORD of Georgia. No; the President will not be embarrassed unless this body, Brother WILLIAMS—and that means you and the other Republican Members of the Congress—put in this bill items which do not give the farmers a square deal, but give the manufacturers more than they should have, and then President Hoover, although he might not indorse those specific items, may say, "I do not want those items in the bill, but I will sign the bill." Then later on this would become a reason for the farmers of the country losing faith in that good President of yours and you would then embarrass him.

Mr. WILLIAMS of Illinois. Did you gentlemen read the speech on the tariff made by Governor Smith at Louisville, Ky., during the campaign?

Mr. LANKFORD of Georgia. Yes; I read practically all that he said and heard a good deal of what he said over the radio.

Mr. WILLIAMS of Illinois. You know what he talked on at Louisville?

Mr. LANKFORD of Georgia. Yes.

Mr. WILLIAMS of Illinois. He talked about the tariff and undertook to assure the country that the Democratic Party was a protective tariff party, and I understood that subsequently telegrams were sent out to all the Democratic candidates for Congress asking them to approve of that position, and I would like to know if you received that telegram.

Mr. LANKFORD of Georgia. Absolutely; and that was about the only thing I agreed with Governor Smith on. So, when I was requested by Governor Smith's headquarters to wire whether or not I approved his position, I wired my full approval of this position on the tariff.

Mr. WILLIAMS of Illinois. He agreed, practically, as the country understood, with the Republican position on the tariff and you O. K'd that position?

Mr. LANKFORD of Georgia. He agreed to a protective tariff.

Mr. WILLIAMS of Illinois. And that is what the gentleman stands for?

Mr. LANKFORD of Georgia. I am in favor of a protective tariff, but I am not in favor of a profiteers' tariff. [Applause.]

Mr. WILLIAMS of Illinois. Oh, I see the point. [Laughter.]

Mr. LANKFORD of Georgia. I am for a tariff to protect the manufacturer, a tariff to protect the laboring man and the farmer, and one that will give all the people a square deal.

I will tell the gentleman what I did. I voted for the emergency tariff bill some time ago when, as I now remember, I was the only Member from my State to vote for it. I will vote for the present bill if you will amend it so I can possibly vote for it.

Mr. WILLIAMS of Illinois. I will tell the gentleman what he intends to do. He will vote for amendments giving rates to people he is interested in, and then he will vote against the bill on the final passage.

Mr. LANKFORD of Georgia. I will tell the gentleman what I will do if the bill ever gets to a place where I honestly believe it has more good in it for the common people than for the big manufacturing interests—I will vote for it.

Mr. WILLIAMS of Illinois. We never hope to convince the gentleman of that fact.

Mr. LANKFORD of Georgia. The gentlemen's party convinced me that the emergency tariff bill was good enough to merit my vote and I voted for it.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. LANKFORD of Georgia. I ask for two minutes more, to yield to my good friend, Mr. Hogg, who is standing, seeking to ask me a question.

Mr. GARNER. I yield to the gentleman two minutes more.

Mr. HOGG. Will the gentleman yield?

Mr. LANKFORD of Georgia. I will yield to the gentleman.

Mr. HOGG. I have listened with a great deal of interest to the gentleman's remarks, and I always read his speeches in the RECORD with pleasure. He has stated that it takes a brief case and corporate wealth to get a satisfactory schedule out of the committee. For my information and the information of the House I would like to have him explain why it was they gave the onion growers 75 per cent increase when they did not have any brief case or representative of corporate wealth?

Mr. LANKFORD of Georgia. Oh, well, the Ways and Means Committee writes some good schedules. They did pretty well, for instance, on peanuts. I wish they would make the rate, though, a little higher on peanuts. [Laughter.]

Mr. HOGG. Being a member of the Post Office Committee I read with a good deal of interest a scheme by the gentleman from Georgia for the Post Office Department distributing the

products of the farmers throughout the Nation. I wonder if the gentleman from Georgia who represents his State so well has turned back on that scheme.

Mr. LANKFORD of Georgia. No; my bill is now pending before the Committee on Agriculture, and I hope the gentleman will help me in getting a hearing on it. It will give great relief for the farmer and also be a help to the consumer. I will have my parcel post extension bill before the committee of my friend as soon as that committee is organized.

Mr. MICHENER. Is that the scheme of the gentleman from Georgia to deliver watermelons from the farmer to the consumer?

Mr. LANKFORD of Georgia. Generally, it is to deliver identical packages from the producer to the consumer. Of course, watermelons, to my mind, are identical packages and thus I have them and other farm products in mind when I seek the passage of this bill. [Applause.]

Let me say in conclusion, I would be delighted if this bill should yet be perfected so as to permit me to support it by my vote. I very much fear this will not be done.

There are several items in the bill which will be helpful to the farmer, but there are so many more that heap additional burdens upon the farmer and the ultimate consumer, until the bill at present is very unfair to my people. The duty on peanuts is good, but to my mind should be increased. There should also be given additional protection to those products which are shipped in to this country in competition with cottonseed and cottonseed products. I believe that there should be a tariff on cow hides, and, in fact, on every farm product that a tariff can at all help. Most of our products can not be helped. Long-staple cotton can be benefited by tariff, and certain grades of our tobacco would likewise be benefited by this protection. Pitch, tar, turpentine, and, in fact, all naval stores products can be helped by tariff. The producers of all these products should have, so far as possible, as much protection under this bill as is given to the manufacturers of other products.

When you place a tariff on practically everything that my people buy, I become more determined to fight for a tariff on the things they sell, if I feel that a tariff will at all help the price of the particular commodity.

I have done and shall continue to do all that I can to have the protection of the tariff extended to the items just mentioned. Time will not permit me to discuss them in detail at this time. I never lose hope as long as there is a chance, even though that chance may not seem worth while. I still hope that this bill will be made very much better before it goes to the President for his approval. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. HAWLEY. Mr. Chairman, I yield five minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS. Mr. Chairman, members of the committee, I do not wish to take up your time with many figures. You have had figures of a tremendous number of imports of boots and shoes, and you know what a terrible situation confronts the leather industry and boots and shoes.

I want to read into the RECORD what President Hoover said concerning the tariff on October 15, 1928, in Boston:

No tariff act is perfect. With the shifting of economic tides some items may be higher than necessary, but undoubtedly some are too low. This is particularly true so far as New England is concerned.

Mr. Hoover said:

The cotton and the wool industries have not for the past few years been in a satisfactory condition. They comprise about 26 per cent of New England's industrial life. Their depressed condition has not been peculiar to New England. The same situation has prevailed throughout the world and is due largely to the same factors—style changes, production in new areas, and decided changes in the trends of consumption. There has been less hardship in the United States than abroad, and that fact has been due to the partial protection afforded in the tariff against inundations of foreign goods.

Any change in the present policy of protection would, without any question, result in a flood of foreign textile products, which would mean no less than ruin to New England industry, both manufacturers and workmen.

That our American textile industry and its workers need solid protection is clearly demonstrated by a comparison of wages, and it must be remembered that our most severe competition from abroad always comes in those types of cloths in which the element of labor represents the chief item of cost. A woolen and worsted weaver in the United States earns an average of 65 cents an hour, in Great Britain 30 cents, in Germany 20 cents, in France 13 cents, and in Italy 8 cents. The American cotton weaver earns an average of 40 cents an hour, the German 17 cents, the Frenchman less than 11 cents, and the Italian 7 cents an hour. And New England wages are higher than these averages for

the whole country. The American protective tariff is the only assurance to our 600,000 families, who earn their livelihood in the cotton and wool manufacturing industries against the wages prevalent abroad and the conditions and standards of living which necessarily result from them.

You have helped our cotton and woolen industries, and I am extremely grateful. They need help, for they are sick industries. You have helped the woolen and cotton textile industries all over the country by giving them an increased duty in these schedules. This protective tariff will mean that more work can be given to labor in our textile mills. It means more money in the pockets of the operatives; more money to be spent in the towns and cities where they live.

We are desperately in need of help for our women's boot and shoe and leather industries. I have always felt that to secure a tariff on leather and boots and shoes it is inevitable that a tariff on hides be given to the farmers. The farmers are entitled to a tariff on hides and skins and it is only fair to give it to them. You already have the figures with relation to the importations of women's boots and shoes, but I will quote some of them again.

The production of leather boots and shoes in the United States for the year 1928 amounted to 344,357,724 pairs. The imports of shoes and slippers, free of duty, during 1928 amounted to 3,250,982 pairs, or about 1 per cent of the production.

During 1928 the imports of leather boots and shoes, exclusive of slippers, into the United States increased from 398,929 pairs to 2,616,884 pairs, or 655 per cent. In value for the same period the increase was from \$1,246,178 to \$8,254,224, or 562 per cent. The principal increase has been in women's shoes, the imports of which during the 1923-1928 period was 1,653 per cent, or, in other words, the imports of women's shoes in pairs during 1928 was sixteen times greater than in 1923, and in value the increase was 1,000 per cent in 1928 over the value in 1923.

During the first three months of 1928 there were imported into the United States boots and shoes, exclusive of slippers, 754,968 pairs, valued at \$2,315,773. In comparison with these figures the first three months of 1929—the current year—show imports to have been 1,592,031 pairs, valued at \$4,591,914. This doubling of our imports in the first three months promises that during the year our imports will exceed 2 per cent of our production.

The American boot and shoe industry can supply the entire domestic market. Why should it yield a part of that market to underpaid foreign labor?

In a few years I believe you will have figures showing the importation of men's boots and shoes to be as great. I believe in helping the industries of our own State and of our country. For instance, I wear only American-made shoes—only Massachusetts-made shoes as a matter of fact.

I wear garments made of cotton and woolsens that are made in Massachusetts, and surely want to do everything to help those industries by a protective tariff. I have appealed repeatedly to members of the Ways and Means Committee and I am now appealing to the Members of the House to place a tariff upon these products of these vital industries which are located not only in our own New England but all over the Nation. The Governor of Massachusetts, the Hon. Francis G. Allen, has telegraphed President Hoover and every member of our delegation in both Houses of the disaster that will come to Massachusetts if leather and boots and shoes are kept on the free list. The presiding officers of our Massachusetts Senate and House have sent resolutions to the Massachusetts delegation urging protection for these industries.

When I was in Massachusetts immediately after the closing of the Seventieth Congress I discussed the leather and boot and shoe tariff question with Governor Allen. I believe every man and woman in Massachusetts realizes what a calamity it would be if our leather and boot and shoe factories should be forced to close. In my own district alone there are 35 boot and shoe factories and in Lowell over 500 persons are employed at the American Hide & Leather Co. I believe the committee will listen to the crying necessity of protection in order to save the very life of our leather and boot and shoe industries. [Applause.]

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. HAWLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. MOUSER].

Mr. MOUSER. Mr. Chairman and ladies and gentlemen of the committee, it is impossible for everyone to agree upon the provisions of legislation containing the many ramifications of a tariff measure. The sentiment here expressed in debate is largely one of local interest, since nature has given various types of soil and different climatic conditions to different parts

of our great country. Believing that our paramount duty here in the matter of a limited tariff revision is for the purpose of assisting the American farmer in somewhat rehabilitating his present economic condition, I am ready and willing to support tariff legislation which may be of benefit to him regardless of his locality, and all of us should assume the broad rather than the selfish viewpoint in this regard. Assuming the integrity and the sincerity of the members of the Ways and Means Committee, which can not be doubted, who have labored so untiringly in the enactment of this most complicated legislative measure, how can we, who have not had the benefit of listening to the unimpeached testimony of hundreds of witnesses, seriously find fault with their labors except for partisan or other personal labors. Being human, it is only natural for some of us to assume a purely local viewpoint or one of purely partisan interest if some item or items in this measure are not particularly beneficial to those who may reside in our particular districts. I do not believe the members of the Ways and Means Committee have this view, or at least the majority thereof. I believe they have sat as judges and have carefully weighed the evidence which we have been unprivileged to do and have offered for our consideration the result of their deliberate judgment for the benefit of this country as a whole, with particular emphasis upon those engaged in a business which has been peculiarly and economically distressed.

There are numerous organizations which pretend to represent the viewpoint of the American farmer, but it is unfortunate for the farmers that some of these organizations through their alleged spokesmen do not agree upon the solution of this great agricultural question. How fine it would be and how enlightening to those of us who have only the desire to act wisely in their interest if a legislative program could be presented by spokesmen who were recognized as representing the viewpoint of the American farmer as a whole rather than purely sectional interests.

There is an organization of American farmers known as the National Grange which is perhaps more truly representative of the farmers of all sections of the country than any other. The leader of this organization is a man of great ability who knows first-hand the problem of the farmer and who has presented to us as spokesman of the farmers of this country his thoughts concerning remedial legislation. He is not an obstructionist but a constructionist. He is fair-minded enough to know that no legislation which may be enacted here may be perfect but he at least wants a start in the right direction so that as time goes on and we receive the beneficial result of experience we may better that which may be now enacted. I refer to L. J. Taber, who believed that in the Republican Party lay the best hope of enacting legislation to bring the American farmer back to somewhat of an economic parity with other industry. He agrees with the President's ideas about the farm legislation, except perhaps the debenture, and he is in accord with the idea that although House bill No. 1 may not be perfect it is at least a big step in the right direction. I am proud of this great Ohioan who brings to us the most representative viewpoint of all the farmers of this country that we have been able to obtain. He is in favor of but is not insisting upon a debenture provision which might result in the defeat of all legislation for the farmer except the tariff because he knows that our great President will not sign a measure containing a provision which is unsound and would further the creating of already too large surpluses in food products which has contributed materially to the present economic condition of the farmer. Mr. Taber does not want delay. He wants action as promised by both great parties in order that the farmer may immediately enjoy some of the benefits which our legislative efforts may bring to them.

Mr. GLOVER. Mr. Chairman, will the gentleman yield?

Mr. MOUSER. I have just 15 minutes and my address will surely take all of that time. If the chairman would yield me five additional minutes I would be very glad to answer the question of the gentleman.

With all due respect to the great men on the Democratic side of this Chamber, whose ability has distinguished them in being leaders of their great party in this House, I ask if any of us can recall a single speaker on the Democratic side of this House who has said a good thing about any single item in this bill except peanuts? How about your promise to the American farmer? And if this bill is not right, why do not you give us something constructive to work on rather than make the same old Democratic tariff speeches that we have heard for the past 50 years?

I may not agree with all the items of this tariff bill, but I am going to vote with the friends of a protective tariff in order that industries which have been showing in the red may make a reasonable and a legitimate profit. The sound judgment of a majority of the Ways and Means Committee tells us that there should be some further increase in tariff upon the importation

of sugar from Cuba, and Mr. Taber, the master of the National Grange, advises us that this is necessary if we are to assist the American farmer in all parts of this Nation in bettering his present conditions. The distinguished and very able gentleman from New York, who has not the first conception of farming conditions, may argue long and loud that by slightly increasing the tariff upon sugar we will burden the consumer. How can he explain the fact that prior to the enactment of a tariff upon sugar that sugar was higher to the consumer than it is with the tariff, and how can he logically say that some further protection should not be afforded the American farmer and the refiner when Cuban sugar is selling in his great city for 2 cents a pound? Are we here to enact legislation for the American farmer or are we convened for the purpose of aiding the Cuban, the Porto Rican, and the Filipino to the very great detriment of Americans who are engaged in the business of raising beets and cane for the purpose of sugar? Such arguments as advanced by the gentleman from New York may be particularly pleasing and soothing to the people of New York City, some of whom would not recognize a sugar beet if they saw one, but it does not aid us in doing the job for which we have been called into extraordinary session.

I have before me an article, which appeared in the Findlay Morning Republican, of Findlay, Ohio, on Friday, May 10, last, in which it is stated that the Continental Sugar Co. of that city will not be operated in 1929 unless it contracts at least 2,500 more acres in its territory. Will the loss of this company to Ohio this year work a hardship upon our State with a resultant loss to those who might be employed in that industry and will the farmers increase the production of sugar beets to the amount of acreage required unless redress is given?

Since 1914 the undisputed testimony before the committee indicates that the cost of raising beets has increased 67 per cent upon the item of machinery alone, while the increase in the price of sugar during the same period has been only 7 per cent. In Colorado, according to our own Tariff Commission, the cost of growing beets in that State, over a 3-year period, per ton, without figuring interest on equipment and land, is \$5.79; including interest, the cost to the farmer is \$7 per ton. The farmer must receive more than the cost if he is to continue raising beets which are productive to his soil.

If we encourage the American farmer to grow beets and sugar cane, he will diversify his crops and lower the surplus of others. The American farmer is entitled to a price on sugar that will give him a living wage and instead of growing 1,000,000 tons a year, if necessary, we should grow all of our sugar. Much has been said about poor Cuba and much agitation and propaganda is now being put forth by the few American financiers who have invested in Cuba. Naturally, they, as a few, want to convince this Congress as against the thousands of American farmers in whose interest we have been called. Are we going to do our duty toward the American farmer or are we going to listen to the organized propaganda of a few millionaires who, having invested in Cuban sugar plantations, are advancing the subtle propaganda of increased costs to the consumer when experience has shown that this is not a fact? I say that the American market should be for the American farmer, even though it should slightly increase the cost to the consumer. I am quite sure that the people of New York City will not object—and can not object—to having the cost of sugar increased slightly when it is now being sold by Cuba in that city at 2 cents per pound.

Let us permit the American farmer to build up a great home industry, which will not only improve his soil but which will enable him to diversify his crops and tend to release us from the dependence upon the foreigner for one of the most important items of our national food supply. As L. J. Taber so well says, "The American consumer has been the beneficiary of the toll of the American farmer who has grown the American meal ticket." We have already remitted tariff duty on Cuban sugar in 19 years to the extent of \$435,000,000. If we have an obligation to Cuba because of putting the protecting arm about her and making her a free and independent nation, then, certainly, we have a greater obligation to the American farmer who has had the yoke of economic dependence about his neck until his land is not selling per acre in Ohio for more than the special assessments against it that he has contributed to good roads over which we ride in luxury. In agricultural communities, perhaps not in New York City, if the American farmer is bettered then business conditions will be bettered, American laborers will be employed at good old American wages, and they will spend these wages in these communities and thereby aid business conditions, even though the price of sugar to them as a consuming public may be slightly raised. We can not have a consuming public under present living costs without good, old fashioned American wages, which are

only possible through reasonable protective tariff which permits American industry to employ American labor at American wages.

This principle has caused the American people, by vast majorities, to give their votes to the Republican Party; and, seeing the handwriting upon the wall, our Democratic brethren are now partially agreeing with us upon the tariff, at least for political expediency. But the American people are unwilling to trust this great question in the hands of those who have heretofore been antagonistic until they see demonstrated a sincere willingness on the part of the Democrats to become Republicans in the faith upon the question of the protection of American labor and industry as opposed to the low wage and the low cost of production in other countries, even though the consumer must pay a trifle more on account of the protection afforded. The consumer does know that he must be employed and receive money for that employment before he can consume.

Permit me to quote at this time from a statement made by Mr. William Green, president of the American Federation of Labor:

We realize, however, that any legislation that might be enacted and might be helpful would, of course, have a tendency to raise the price level, because that has been the ultimate objective. We believe that ought to be done, notwithstanding the fact that perhaps the cost that would follow the raise of the price level would fall somewhat upon the great consuming mass of labor.

We think that it is really an economic crime that such a large number of people in our great country should be producing a commodity below the actual cost of production, and we are conscious of the fact that that is going on and that the farmers are suffering very greatly. We believe that it is a menace to the welfare of working men and women, and to a continuation of our national prosperity and well being. (From Mr. Green's statement before the Senate Committee on Agriculture, April 3, 1929, p. 530 of official printed hearings.)

The leader of the largest single group of organized "consumers" in the United States is not objecting to an increase in the price the farmers receive.

We want to see the farmers prosperous—

Mr. Green said—

We are willing to help them to be prosperous by paying a little more for the things the farmer sells. We are anxious that the farmer should receive more money so that he can be made an active buyer and consumer of the things that labor produces (p. 532).

In conclusion permit me to state that the same principle of economic stabilization applies to all raw agricultural commodities as I have outlined in reference to sugar beets, both from the standpoint of profitable production and equally as well from the point of an orderly, efficient, and economic system of marketing. Let me emphasize and may we all remember that we are here convened by the strongest mandate a representative people ever gave to a President and his legislative branches of government, to afford and effect a farm-relief program, not only as applies to cooperative marketing, but also to a readjustment of tariff schedules to assist in the elimination of the spread now existing between agriculture, the basic industry of our country, and other now protected lines of industry. Are we big enough to lay aside personal and all other interests for the common interest of the whole country, and carry out the mandate of the American people? We are being given an opportunity to render an account of our stewardship. [Applause.]

Mr. GARNER. Mr. Chairman, I yield 10 minutes to the gentleman from Florida, Mr. GREEN.

Mr. GREEN. Mr. Chairman and members of the committee, I shall not talk to the length that I intended nor mention some of the things that I had hoped to because I have arranged to appear before the Committee on Ways and Means to-night to bring to their attention a few of the items that I believe should be included in this bill. In the extension of my remarks, Mr. Chairman, I ask unanimous consent to extend therein a brief taken from the report of the Committee on Ways and Means.

The CHAIRMAN. Without objection, it will be so ordered.

Mr. GREEN. The tariff bill now before the House, although the result of long and tiresome effort by the distinguished members of our Ways and Means Committee, still fails to meet some of the most urgent demands of the American people. In the speech of the able chairman, Mr. HAWLEY, before the House on May 9, he said:

We have increased the duty on nuts and vegetables as substitute crops. Instead of confining themselves to the production of a few great crops our farmers ought to be raising crops in great variety; not sell at one season of the year, as they do their grain, in tremendous quantities throwing on the market at one time millions of bushels, but

enable them to dispose of products at all times of the year as the market demands. If we can relieve the basic crops and develop more diversity in agriculture by the use of the tariff we will be rendering the most aid to agriculture, in my judgment, that it is possible to render.

The Southern States from Florida to Texas are endeavoring to reach the market with their winter and spring vegetables. They have the climate, they have the labor, they have the soil, but they have very vigorous competitors. Mexico against Texas with Mexico scheduled to win without due protection to the domestic supply. Florida and other Southern States against Mexico and the isles of the Caribbean Sea. We have increased the duty on green beans from one-half cent to 3½ cents a pound and the duty on green peas from 1 cent to 2 cents a pound. On cucumbers, squash, eggplant, and various other commodities of that kind we have very materially increased the duty. So that practically all the winter and spring vegetables sold in our markets can be produced in the United States in the course of time. Why should they not be so produced?

He further stated that—

We have endeavored to hold an even balance between all the industries of the United States, not on the theory that an ad valorem rate of a certain amount would solve the problems but that whatever rate was necessary for their protection should be written, based upon the information that we have. We have endeavored to treat them on the same basis.

And further on in his speech he said:

I could go around the map and show there were storm centers where the competition centered or where the competition existed only, but the people of the United States, whether they are in a small or large geographical area, where their production is appreciable in amount, are entitled to the protection of the tariff equally with everybody else.

He also said:

The foreign wages average only about 40 per cent of the American wages, and in some countries they do not equal 10 per cent of our wages in certain lines of industry.

Now, Mr. Chairman, the chairman has declared for a tariff which will carry equal benefits to every section of our great Nation and also equal benefits to every industry; and the people of the State of Florida appreciate to the fullest extent the inclusion in this bill of a tariff protection on certain of its fruit and vegetable products. This State has long needed such protection and I believe that if these items are retained in the bill that great benefits will accrue to my State; however, in making up the schedules unfortunately a raise in rate was declined on avocados, papayas, mangoes, figs, watermelon seed, pecans, oranges, lemons, and wrapper tobacco. The tariff on these products undoubtedly should be raised, and I trust that the Ways and Means Committee will see fit before the bill is enacted to raise these items to the extent as has been suggested by the Florida growers. I respectfully request that this be done.

If Chairman HAWLEY's statement reflects the belief of the party in power, I would like to call the attention of the members of that committee to the fact that you have left from your bill certain items which I think ought to be included. I am in hopes yet that your committee will amend this bill to a point where it will be acceptable to at least the members of the Florida delegation, and I certainly wish that you could amend the bill to the extent that would make it acceptable to every Member of the House who does represent the will of the entire American people. We need in our State a further protection on oranges. In this bill we have no increase in the protection on oranges. We did get 50 per cent protection on grapefruit, but you have declined to raise the rates on strawberries or avocados or papayas or mangoes or watermelon seed, and on several others of the typically southern and Florida vegetables.

If you are going to give protection where protection is needed, why not include these and encourage the agricultural industry to make our vegetables here in America? These foreign-grown fruits and vegetables are no less competition with one of your own industries than is the importation of foreign-manufactured goods.

I call attention also to the fact that wrapper tobacco imported from Sumatra comes into competition with Connecticut, Georgia, and Florida grown shade tobacco. This is the most expensive way of raising tobacco, and you have declined so far to give us additional protection on this product. Connecticut desired it and Florida and Georgia desired it, and so far have failed to get it. Our wrapper-tobacco growers will have to go out of business unless relief is given. There is no doubt about that statement, and I refer you to the report of the Committee on Ways and Means, where the growers and experts stated those facts.

The bill has continued on the free list pine tar and naval stores, and this, to my mind, is a glaring discrimination against one of the country's greatest industries, and is an agricultural industry, in favor of the few factories which use pine tar, turpentine, and rosin in the manufacture of their various products. In the pine-tar industry to-day the investment is about \$2,000,000 in plants in the Southern States—North Carolina, Alabama, Florida, and possibly other States.

In my own State of Florida the investment in these plants is heavy. They manufacture pine tar to the value of \$1,500,000 annually. This tar is extracted from dead pine stumps. These stumps are usually taken from the fields of the farmers, carried in to the plants, ground up, and the tar extracted from them. In this process they not only save one of America's most important products but assist the farmers in clearing and stumping, without cost, their fields.

And, by the way, we are told that the purpose of this session of Congress is to assist the farmers. If you desire to assist the farmers of the Southeast, why not place such a tariff duty on imported pine tar as will enable the American tar producers to continue their operations?

Four or five years ago the rubber industry began using this tar in the manufacture of rubber tires and in renovating old rubber. When the British monopoly brought about extortionate prices on rubber used in America, then the manufacturers sought a substitute and found with marked success the possibility of the substitution of tar.

In 1926 the price of pine tar was from 35 to 37 cents per gallon and yielded a favorable return upon the investment. In 1927 the price was reduced to 25 to 28 cents per gallon and last year it went down to about 25 cents per gallon. This reduction was caused through the importation of pine tar, principally from Russia, Poland, and Finland. In these foreign countries where the wage and standard of living conditions are much lower than that in the United States, this tar can be produced for about 11 cents per gallon. I have just quoted Chairman HAWLEY in his statement showing the great difference in the cost of American labor and that of foreign countries. It actually costs 25 to 28 cents per gallon to produce pine tar in the United States.

The freight rate from Danzig and Archangel to New York is about the same as the rate from the Gulf ports to New York; and by the way, something is undoubtedly wrong with transportation charges when the same amount is charged to transport products from Russia and Poland across the Atlantic to New York as is charged from, say, Savannah, Ga., to New York. It occurs to me that if the Republican Party would bring about a reduction in freight rates the naval-stores industry and the farmers of the country could be better served than in any other manner.

The amount of pine tar imported is constantly increasing. About 400 barrels in 1925 to 15,000 barrels in 1928, and if this importation increases further the pine-tar plants of the Southeast will, every one, have to shut down and go out of business. The average annual production of pine tar in the United States for the past three years has been approximately 125,000 barrels of 50 gallons each. The importation of from 15,000 to 20,000 barrels per year of foreign tar during the past two years has had a great deal to do with the reduction in the price of pine tar manufactured in the United States, and there is every indication that the importations of foreign pine tar will increase more rapidly in the future.

A gallon of pine tar weighs about 9 pounds, and if the Ways and Means Committee will place a tariff of 2 cents a net pound on imported tar, then this amount added to the 11 cents a gallon, the cost of production of foreign tar, it would enable the American producers to carry on their production. A tariff of 2 cents a net pound is a very reasonable tariff on pine tar. This would not cause the consumer to pay an extortionate price for the product, but would only maintain the price sufficiently to enable American production. The American tar producers are not asking a prohibitive tariff or a tariff which will greatly increase their net earnings. They are asking for only such amount as will assure them sufficient return on their capital to enable them to do business. There are almost a thousand American wage earners employed in these pine-tar plants, and these wage earners are surely entitled to such protection as is necessary to enable their employers to remain in business and meet their pay rolls.

On last Saturday, May 11, when the distinguished tariff protection stalwart, the gentleman from New York [Mr. CROWTHER], was addressing the House, in reply to my question to him relative to tariff on tar and naval stores, he replied:

I want to say to the gentleman that I am always in favor of protection on any commodity that needs it, whether it is in Florida or any

other section of the country. I am for it as a matter of sound American policy, and it does not make any difference to me where it is needed.

Now, I trust that his opinion relative to the necessity of tariff on pine tar and naval stores may be concurred in by the other Republican members of the Ways and Means Committee; therefore, Chairman HAWLEY, I respectfully request that your committee offer an amendment to the bill now before the House which will carry this 2 cents a net pound protection on American-produced pine tar and pitch of wood.

At this time I also request Chairman HAWLEY and his fellow Republican members of the Ways and Means Committee to transfer naval stores (turpentine and rosin) from the free list to the dutiable list and grant us a tariff of 10 per cent ad valorem on same. The naval-stores industry is undoubtedly one of America's greatest agricultural industries. As my colleagues know, this industry is confined to the Southern States, particularly to those of the Southeast. Raw pine gum is extracted from the southern pine tree, and through the process of distillation rosin and spirits of turpentine are extracted.

There are some 1,400 producing plants or establishments in the United States. In 1921, 23,378,854 gallons of spirits of turpentine, valued at \$13,356,790, and 1,661,624 500-pound barrels of rosin, valued at \$10,796,975, or a total of \$24,276,000, were produced. This was produced by 1,418 establishments, of which 490, producing \$8,231,775 worth of products, were in the State of Florida. In the operating year 1924-25, 27,174,580 gallons of turpentine and 1,790,087 500-pound barrels of rosin were produced. Of this the State of Florida produced more than one-third, and its largest naval-stores shipping port, Jacksonville, shipped 11,707 tons of turpentine and 82,219 tons of rosin, besides dross and other products.

Since 1925 investments in this industry, I believe, have increased to approximately \$60,000,000, and the production to approximately 28,500,000 gallons of spirits and 2,000,000 barrels of rosin; therefore, in the interest of probably the largest naval-stores producing State in the Union, I respectfully ask that you give us a 10 per cent ad valorem duty on rosin and turpentine.

Practically 70 per cent of the world's supply of naval stores is produced in America. France produces some 20 per cent, the remainder being produced by Spain, Portugal, Mexico, and India. France, Spain, Portugal, and Mexico have protective tariffs on their naval stores, and, in some cases, these tariffs are exceedingly high. I will inclose herewith a portion of the brief submitted to the Ways and Means Committee of the House by Mr. Carl F. Speh, who is secretary of the Pine Institute of America (Inc.), the brief including the tariff rates in these countries.

Now, Mr. Chairman, if we are to have a tariff law which will carry out the statement as made by the chairman of the Ways and Means Committee, Mr. HAWLEY, it is absolutely necessary for tariff protection to be extended to our naval-stores industry. Through foreign competition the price of naval stores, as well as tar, is lowered. Although the importation into our country of foreign-made turpentine and rosin is small, yet it serves the purpose of beating down the American market and is costing the naval-stores industry of our Nation millions of dollars annually. This loss by the industry is ill afforded. The operating expenses are annually increasing. The cost of labor, of course, is increasing annually. The labor in the naval-stores industry is hard; in fact, I know of no other industry in which stronger physical ability of employees is required. At the average naval-stores farm the laborers rise at early dawn and in many cases go 3 to 8 miles to their work and begin work by 5 or 6 o'clock in the morning and invariably labor until the sun has disappeared beyond the western horizon, and they repeat this action for six days in the week. Even then many of these laborers are unable to obtain for their labor sufficient wage to acquire for them the actual necessities of life. These may be classed as unorganized laborers. My colleagues well know my stand in the interest of a square deal for organized labor, because I believe in the dignity of labor and the majesty of toil, but these poor wretched laborers in the naval-stores industry, unorganized, unprotected from the hazards of climate—storms, rains, and other atmospheric agencies—are drudging on and on, daily, weekly, monthly, and annually, and, in many instances, unable to obtain as a result of their labors even the actual necessities of life, and it is for this unorganized labor that I am to-day asking your consideration.

The employers, I firmly believe, are allowing them every penny of wage which they can allow under their present marketing conditions; in fact, many of them have been so liberal with payment of their laborers until their businesses have gone into bankruptcy. The owners and operators of the naval stores firms are not in any manner to blame for the low scale of wages allowed to the employees. They are paying all possible,

and in many instances more than good business management will permit; but the trouble is that the price of their products has been lowered and beaten down by the importation of foreign-made naval stores produced by foreign labor whose wage standard is far lower than that in the United States. Mr. Speaker, I respectfully urge the Republican members of the Ways and Means Committee to amend the tariff bill by allowing 10 per cent ad valorem duty on imported turpentine and rosin.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. GREEN. Mr. Chairman, may I have five additional minutes?

Mr. GARNER. I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Florida is recognized for five minutes more.

Mr. GREEN. Now, these other countries have a very high protection on all of these products, as will appear by the report taken from the Committee on Ways and Means that I shall put in the RECORD.

I make these statements with the hope that the Committee on Ways and Means will grant this protection. I base my position respecting the tariff bill upon the statement that has been made by the chairman of that important committee. I have heard statements made here in the last few days, hurled from one side of the Chamber to the other side; I have heard gentlemen on the Republican side and gentlemen on the Democratic side present statements here about this party and about that party—statements that would cause you to believe that our whole country is going to be destroyed if some little product is not written into the bill.

They would have you believe that if there had been no Republican Party and no Democratic Party our Nation would be doomed to-day. I am not an alarmist. I do not take that position. I do think that the Democratic leader and his associates should have been allowed to have something to do with the writing of this bill, but I am not an alarmist, and I believe that, regardless of what duties are written into this bill, our country is going to go on. I believe that the American people, who could grow from less than 12,000,000 to 120,000,000 in the small interval of a century and a half—I believe that same people can carry on our Government here and bring protection to American industries and farmers. I believe the factory hands of America will continue to be the great standard yardstick by which the hopes of labor in foreign nations may be arrived at. I believe the wheat fields of the Northwest will continue to nod their heads to the morning sun. I believe the coal mines of Pennsylvania will continue to belch forth their black diamonds. I believe the great iron industry down in Alabama will continue to bring forth from the bowels of the earth this great treasure. I believe the cane plantations of Louisiana and the Everglades of Florida will increase their acreage, and that the people of America will continue to have sugar to satisfy their wants. I believe that in my own State of Florida our vegetables will continue to grow and our oranges will keep their golden standard. I believe, my friends, also that in the great coast expanse of my State and that of California the yacht and the little canoe and the pleasure boat will ride those majestic waters the same as the albatross and sea gull. So, my friends, I could enumerate a number of things that may or may not be accomplished by a tariff bill; but even so, bear in mind Kipling's poem, "If," which I have not the time to quote, and remember that the people who constitute your Nation and mine look to us for legislation all the way from the North to the South and from the East and the West, and they should be represented in this bill alike and represented alike for all.

Give us protection in our section. Take protection in your section. Remember that no chain is stronger than the weakest link. If you impoverish an industry in Dixie, my friends, you weaken your Nation. If you impoverish an industry in the Northwest or the Northeast in like manner you weaken the resources and the stability of your Nation in the name of justice give us amendments to this bill which will carry protection, prosperity, and equity to the Southeast. [Applause.]

BRIEF OF THE PINE INSTITUTE OF AMERICA (INC.)

The Pine Institute of America represents all branches of the naval stores industry; that industry, the principal products of which are spirits of turpentine and rosin. We respectfully ask that these two commodities, spirits of turpentine and rosin, now in paragraph 1688 of H. R. 7456, tariff act of 1922, be taken from the free list and be given a duty of 10 per cent ad valorem.

The average annual value of the production of rosin and turpentine in this country is approximately \$60,000,000. In quantity, this is 570,000 barrels (50 gallons) of spirits of turpentine, and about

2,000,000 barrels (500 pounds) of rosin. These two commodities are valuable raw materials used in the manufacture of many products. Rosin is used chiefly in the manufacture of soaps, varnishes, paints, synthetic resins, paper size, printing inks, linoleum, and lubricants. Spirits of turpentine is used chiefly in the manufacture of paints, varnishes, polishes, synthetic chemicals, and medicinal preparations.

The United States produces approximately 70 per cent of the world's production of turpentine and rosin. The remaining 30 per cent is produced by France, producing about 18 per cent, Spain 5 per cent, followed by Greece, Portugal, Mexico, and India. Prior to the World War this country produced approximately 85 per cent of the world's production. There is a tendency on the part of the other producing countries to increase their production, and on the part of several countries, as for example, those of Central America and the Dutch East Indies, to start a naval-stores industry.

We export approximately 50 per cent of our production, our foreign buyers being chiefly England, Germany, and South America. In each of these keen competition is felt with the production chiefly from France, Spain, Portugal, and India.

We import a quantity equivalent to less than 1 per cent of our production. Such a small volume of imports in most industries would have little effect. Turpentine and rosin, however, are marketed on a daily price established at Savannah, Ga., which market is recognized by the entire world. Experience has shown that the importation of even such a small amount as 1,000 barrels of rosin can have the effect of unduly depressing this single market.

The American naval-stores industry wish to correct this condition, and therefore ask that a tariff be levied. Such a tariff would not raise the general selling price in this country, but would prevent the occasional bearish influence created by such importations. We also call attention to that general condition which applies to most industries, namely, the lower cost of production of these commodities in foreign countries.

Competition in this country is felt by the importation, without duty, of turpentine from Mexico, where we see a growing industry, with the possibility of vast development. Such importations make it extremely difficult for the American producer to move his product from the South Atlantic producing territory to the West coast in competition.

The naval stores industry uses as its raw material either the growing southern yellow pine tree or the dead down wastes and stumps. In the latter case the utilization of these wastes makes it possible to clear lands for agricultural purposes, deriving an income from the clearing. In the case of the production from the living tree, a permanent developing naval stores industry will make it possible to economically reproduce southern yellow pine.

Our brief, therefore, is based upon the desire to stimulate and perpetuate the production of rosin and turpentine in this country, and the feeling of protection against the certain increase in importations, as foreign production increases will be a big factor.

Foreign producing countries have recognized the necessity of protecting home production, and have imposed prohibitive import tariffs on rosin and turpentine, with the result that practically none of the American production finds a market in these countries.

The following are tariffs which are applied:

France

Spirits of turpentine	Francs per 100 kilos G.	Equivalent per gallon
General tariff.....	81.60	\$0.1045
Minimum tariff.....	20.40	.0262
Rate applying to United States.....	40.80	.05225
Rosin	Francs per 100 kilos G.	Equivalent to per 280 pounds gross
General tariff.....	32.00	\$1.593
Minimum tariff.....	8.00	.398
Rate applying to United States.....	17.00	.846

Added to the above is a 2 per cent sales tax imposed on importations. Based upon the average Savannah market for this season this, with the sales tax, would be approximately 12.8 per cent on the spirits of turpentine and 12.6 per cent on the rosin imposed upon American products.

Spain

Spirits of turpentine	Pesetas per 100 kilograms	Equivalent per gallon
First tariff.....	75.50	\$0.4763
Second tariff ¹	30.50	.1920

¹ Second tariff applies to United States. Rate of exchange—1 peseta equals \$0.193.

Spain—Continued

Rosin	Pesetas per 100 kilo- grams	Equivalent per 280 grams
First tariff.....	36.50	\$8.947
Second tariff ¹	12.50	3.064

¹Second tariff applies to United States. Rate of exchange—1 peseta equals \$0.193.

In addition there is imposed a surtax on importations.

Based upon the average Savannah market for this season, this would be, exclusive of the surtax tax, approximately 42.7 per cent on the spirits of turpentine and 38.3 per cent on the rosin.

Portugal

Spirits of turpentine	Escudo per kilo	Equivalent per gallon
Maximum tariff.....	0.01	\$0.0353
Minimum tariff ¹005	.0176

Rosin	Escudo per kilo	Equivalent to per 280 pounds G.
Maximum tariff.....	0.01	\$1.372
Minimum tariff ¹005	.686

¹Minimum tariff applies to United States.

Rate of exchange—escudo equals \$1.08.

Added to the above specific duties there is a 2½ per cent surtax applied based on the c. i. f. duty-paid value of the goods.

Based upon the average Savannah market for the season this would be, including the surtax, approximately 6.4 per cent on the spirits of turpentine and 11.1 per cent on the rosin levied on American products.

Mexico

	Pesos per kilo	Equivalent per gallon
Spirits of turpentine, applied to United States.....	0.11	\$0.1691
	Pesos per kilo	Equivalent to per 280 pounds G.
Rosin, applied to United States.....	0.06	\$3.58

Rate of exchange—1 peso equals \$0.47.

Added to the above is a 12 per cent surtax based on c. i. f. value of importations.

Based on the average Savannah market this is equivalent, including the surtax, to 49.5 per cent on the spirits of turpentine, and 56.8 per cent on the rosin imposed on American products.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

Mr. HAWLEY. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. SELVIG].

Mr. SELVIG. Mr. Chairman, there are two or three matters in connection with the proposed tariff rates on dairy products that I wish to call to the attention of the House.

These products are casein, butter, and vegetable oils. I do not at this time attempt to discuss these matters exhaustively but simply desire to call to the attention of the House during the time that the tariff bill is being considered a few facts regarding these products.

CASEIN

Casein is a by-product of skim milk which is used by coated-paper manufacturers, glue manufacturers, and producers of artificial cork, leather, rubber, ebony, horn, celluloid, and sundry articles. The dairy farmers of Minnesota, Wisconsin, California, New York, and other States want a tariff of 8 cents per pound on casein in place of the present rate of 2½ cents per pound.

The imports of casein come principally from Argentina. Over 27,000,000 pounds were imported in 1927. The domestic production was 18,000,000 pounds. The dairy farmers maintain that they can produce 300,000,000 pounds of casein a year if given fair protection at little or no advance in the cost of casein over present prices.

They can not, however, compete with the low labor cost of Argentine whole milk which sells for 96 cents per hundred, as against two to three times that price in the United States.

They ask that the American market for casein be given the domestic producers who stand ready and able to make casein, both in sufficient quantity and of high and uniform quality.

The farmers of the United States are facing a serious situation with respect to their market for milk powder which is another outlet for the skim milk. The saturation point for skim milk has nearly been reached. There are over 10,000,000,000 pounds of skim milk wasted every year, which indicates the possibilities of securing a profitable return from casein and skim-milk powder if the domestic market is safeguarded for these products.

The chief objections to an increased duty on casein come from the coated-paper manufacturers. They won in the Ways and Means Committee when the present tariff bill was written, as it carries no increase in the casein rate.

In the hearings before the tariff committee the objections raised by the paper manufacturers were held by the dairy groups not to be valid.

The dairy experts testified that American casein is the equal of any other. They testified that the trade that buys casein can get the quality it seeks. I am including telegrams from casein manufacturers supporting this testimony.

To the contention that the coated-paper manufacturers are losing out in foreign trade I wish to cite Department of Commerce figures showing that this trade increased from \$3,764,000 of coated-paper exports in 1922 to \$5,973,000 in 1927.

The coated-paper trade testified that their business was on an unprofitable basis due to high cost of casein. Their record of volume shows a gain of from \$13,623,000 in 1921 to \$31,970,000 in 1925, with a still greater increase in the past few years. The September, 1928, orders were 6.6 per cent over those of the same month, 1927.

The increase of 5½ cents per pound that is requested in the tariff rate on casein, even if reflected in an increased cost to the paper trade, according to the testimony submitted at the hearings, would amount to less than one-half cent per pound.

It is maintained that the present price of casein, which is about 15 cents per pound, would not be greatly increased if the higher protection were granted, which would result in an insignificant increase in the cost of coated paper, but that the domestic market for casein would be stabilized.

The tariff was originally intended to help infant American industries. The casein industry is, to a certain extent, such a one. It is growing. In 1922 casein plants, numbering 74, produced 6,907,000 pounds of casein. In 1927 the number of plants had increased to 130, with a production of 18,033,000 pounds.

The dairy farmers demand that campaign promises be kept. The dominant note in the campaign was to give the American farmer the full benefit of the domestic market. An embargo is not wanted. A tariff rate that will meet competitive conditions is all that is asked.

The present session of Congress was called to fulfill the campaign pledges of 1928. In this instance, the market for casein exists in America. The bulk of a supply comes from a foreign country. The American farmer can furnish ten times the present domestic requirements of the best grade of casein that can be made.

Some doubts have been expressed regarding the quality of the domestic casein. I will place in the Record two paragraphs on Early Attempts to Use Casein from Casein and Its Industrial Applications, by E. Sutermeister. He is chief chemist for the S. D. Warren Co., Cumberland Mills, Westbrook, Me., and is considered an authority on the subject of casein:

When casein was first used for coating paper it was being made as a by-product in many small creameries, and because it was a by-product little care was given to its manufacture. There was also no uniformity in the methods employed, some allowing the milk to sour itself, some adding acid and some using the rennet process. Sometimes the kinds of casein were kept separate and sometimes they were mixed, so that it was not only general to find the lots working differently, but it was not at all uncommon to find several barrels out of a carload which could not be used at all and had to be returned to the shipper. Under such conditions it was very difficult to locate the source of any trouble, and the confusion was increased by the fact that the users had little knowledge of the way to handle casein and were more or less prejudiced against it. Doubtless many lots of casein were rejected which could be used to-day without difficulty, but in the early days they caused endless trouble and confusion.

Conditions are now greatly improved, both because the preparation of the casein is better standardized and looked after and because the paper coater knows much more about handling it to the best advantage. It is seldom that a lot of casein now has to be rejected because of poor quality, or even that unsatisfactory samples are received.

The weekly quotations on casein taken from Oil, Paint, and Drug Reporter, which is the trade paper for casein industry,

show that domestic and imported casein prices run practically the same. The following table gives quotations from January 7 to May 6, 1929:

Quotations from Oil, Paint, and Drug Reporter
CASEIN (IN BAGS)

	Domestic		Imported, fine ground	Standard ground
	20-30 mesh	80-100 mesh		
	Cents	Cents	Cents	Cents
Jan. 7, 1929	15-15½	15½-15¾	15¾-15¾	
Jan. 14, 1929	15-15½	15½-15¾	15¾-15¾	
Jan. 21, 1929	15½	15¾	15¾-15¾	
Jan. 28, 1929	16	16½	16½	
Feb. 4, 1929	16½	17	17	16½
Feb. 11, 1929	16½	17	17	16½
Feb. 18, 1929	16½	17	17	16½
Feb. 25, 1929	16½	17	17	16½
Mar. 4, 1929	16	16½	16½	16
Mar. 11, 1929	16	16½	16½	15¾
Mar. 18, 1929	15¾	16½	16½	15½
Mar. 25, 1929	16	16½	16½	16
Apr. 1, 1929	16	16½	16½	16
Apr. 8, 1929	16	16½	16½	16
Apr. 15, 1929	16	16½	16½	16
Apr. 29, 1929	16	16½	16½	16
May 6, 1929	16	16½-17	16½-17	15½-16

¹ Quotations changed from "Imported" to "Argentine."

Since requesting that the casein item be reopened a number of telegrams and letters have been received which refer especially to the quality of domestic casein as compared to imported casein. I will read them and request that they be printed in the RECORD.

The first one is a telegram received from the president of Land O'Lakes Creamery Association:

MINNEAPOLIS, MINN., May 14, 1929.

Hon. C. G. SELVIG:

Understand statements are being made to the effect that American milk will not make casein equal in quality to foreign casein. We have analyzed casein made in Argentina as well as in our own plant and have made tests in conjunction with large paper mill and find there is no truth to this statement. We can make casein equal, if not superior, to foreign manufacturers.

JOHN BRANDT,
Land O'Lakes Creameries.

BOSTON, MASS., May 15, 1929.

Hon. C. G. SELVIG,

House Office Building:

Milk dealers here believe increased production and improved quality would come with increase in casein duty. Market would be provided for skimmed milk now being thrown away. Hood estimates increase New England production at least 30 per cent. Dealers state higher duty will make possible greater centralization of manufacture and control of quality.

NEW ENGLAND MILK PRODUCERS' ASSOCIATION,
W. H. BRONSON, Statistician.

BOSTON, MASS., May 14, 1929.

Hon. C. G. SELVIG,

House Office Building, Washington D. C.:

Since 1922, under 2½-cent duty on casein, production domestic casein increased from 7,000,000 pounds to 18,000,000 pounds in 1927. First half year figures indicate 1928 production 22,000,000 pounds. Casein price last year averaged 2½ cents above 1922. Believe additional protection we ask would bring out an additional 20,000,000 pounds in United States, particularly as dry skim powder production now returns to more for skim milk than casein. Large milk dealers here yesterday refused us adequate surplus milk prices claiming surplus skimmed milk a liability. Reasonable casein prices will provide market for surplus skim, give higher returns to producers, and give manufacturers opportunity to improve quality of casein produced.

NEW ENGLAND MILK PRODUCERS' ASSOCIATION,
W. H. BRONSON, Statistician.

PHILADELPHIA, PA., May 14, 1929.

Hon. C. G. SELVIG,

Washington, D. C.:

Argentine casein is known as lactic casein; manufacture very simple; American manufacturers could easily duplicate or improve Argentine quality. The only reason they do not do so is because lack of profit makes casein practically waste product and no care used in manufacture, nor does it pay to invest in proper plant. Casein manufactured by

makers of milk sugar. Muriatic casein is not considered as good for some kinds of paper work as lactic casein.

C. MAHLON KLINE.

SAN FRANCISCO, CALIF., May 14, 1929.

Hon. C. G. SELVIG,

House Office Building, Washington D. C.:

My attention again drawn to statements being made in connection with casein tariff that quality American casein is inferior to Argentine, this being inherent on account of feed conditions. As one having been associated with casein manufacture in all its phases, including the technical, since 1902 not only in California but in the Middle West and East I wish to say that statements referring to inability to manufacture high-quality casein from milk of this country are in error and without foundation. Casein of high quality has been made during all seasons of the year and may be produced in ample quantities to meet requirements throughout dairy sections of United States. Owing to fluctuations in market often below cost, casein manufacture is hazardous and is unsatisfactory outlet for skim milk. What is required is sufficient tariff protection to stabilize markets and justify engaging in its continuous manufacture. We believe dairymen of this country are entitled to stable market, and, with stable market, manufacture will be sufficient to meet demands at price levels little or no higher than during past year.

C. E. GRAY,
President Golden State Milk Products Co.

Here is a letter from one of the large casein concerns:

NEW YORK CITY, May 15, 1929.

SUBCOMMITTEE ON CHEMICALS AND OILS,

Ways and Means Committee, House of Representatives.

SIRS: Replying to a telegram of the 14th, received from Congressman SELVIG, we would state that a certain proportion of the Argentine production of casein is of inferior quality, as is the case with domestic casein. Casein made in California, Idaho, and a large portion of the New York State output is superior in quality to Argentine casein. A large portion of the domestic casein output is equal in quality to Argentine casein. In our opinion, that portion of the domestic production which is now inferior in quality could be improved in quality by simple changes in methods of production.

We also attach a memorandum regarding the matter of increased duty on casein glue if the duty on casein is increased.

We can not too strongly urge that adequate protection of domestic casein producers requires that duties on tapioca and casein glue be fixed in proportion to whatever duty on casein is finally decided upon.

Respectfully submitted.

THE CASEIN MANUFACTURING CO.,
A. F. GRIGNON,
Vice President and General Manager.

This letter was received this morning from St. Paul, Minn.:

TWIN CITY MILK PRODUCERS' ASSOCIATION,
St. Paul, May 13, 1929.

Hon. C. G. SELVIG,

House Office Building, Washington, D. C.

DEAR MR. SELVIG: We saw by yesterday's papers that you have been assigned to present arguments for casein. We also noticed the request for definite information as to whether high-quality casein can be produced in the United States.

F. B. Hulls, of Minneapolis, has been buying casein and has been connected with the industry for 38 years. He has bought for many paper manufacturers and for other industries. In 1927 and 1928 his purchases in Wisconsin and Minnesota amounted to 1,667,392 pounds. He is one of four buyers operating in this territory, and estimates that he secured less than one-fourth of the product produced. He is thoroughly convinced from his connection with the industry that the casein as made under his supervision is fully as good as imported casein.

Mr. Prestholdt, of the Monite Waterproof Glue Co., of Minneapolis, has flooded the country with statements arguing for putting casein on the free list. In 1927 he bought from Mr. Hulls 973,253 pounds of domestic casein, and in 1928 he purchased 694,139 pounds. Mr. Hulls feels that this was a large part of the casein used, and not much imported casein was used in this factory during this period. Recently imported casein is being used, and reports are that business is falling off rapidly.

Buyers have manipulated prices in the past in such a way that farmers here never knew what the price would be. Since 1920 casein prices as paid to buyers in Minnesota have ranged from 4½ cents a pound to 18 cents a pound. At one time we could not move casein at any price. We had to hold it several months to get 4½ cents. There is a feeling among producers here that buyers do not encourage quality, but prefer to buy at a very low price. It is probable that this poor casein is mixed in with high-grade casein, giving the buyer a handsome profit.

We have secured samples of domestic and imported casein and are having them analyzed at the University of Minnesota and will rush any

information secured to you at once. Will also welcome your suggestions as to further lines of investigation. Naturally the paper people who want cheap casein are not going to give us any information which will be valuable, but the facts as to prices paid and an analysis and available skim milk should be sufficient.

Yours very truly,

H. R. LEONARD, *Manager.*

There can no longer be any doubt as to the quality of domestic casein.

DAIRY PRODUCTS

Coming now to more general discussion of the dairy industry and its interest in the present tariff bill, it is conceded by all that protection against imported foreign dairy products must be uniform in the rates as they apply to butter, condensed or evaporated milk, casein, cream, cheese, or any other form. Increased domestic production of dairy products, because of the relatively lower returns in other lines of agriculture, present problems that can only be met by enlargement of the market and by giving the domestic market to our own farmers.

Much work is being done by the National Dairy Council in educational programs to increase the consumption of dairy products. There is a certain market for all the dairy products our United States dairy farmers can produce if the consumption of fluid milk could be increased up to the normal requirements of children. Industry advertising and public-health programs working along this line can double the present consumption of milk and still fall short of the requirements set by food specialists as being necessary for the health and vigor of growing children.

The dairy interests have set themselves seriously to the task of widening the domestic market, but they can make no progress unless the tariff schedules are enacted which will afford them protection against foreign imports which displace our domestic products.

The inadequacy of the dairy tariff schedules in the 1922 tariff act is evident to all. The adjustments made by the Tariff Commission bear witness to this. In the first place, butter should carry a higher import rate than 12 cents. It is a processed commodity. The industrial schedules which protect our labor and the capital invested in our manufacturing establishments carry on the average a rate in excess of 40 per cent. Butter is entitled to the same rating, which would place the import duty at not less than 15 cents per pound. The different dairy products convertible in form and differing mainly in the amount of the basic butterfat content should be placed on a parity with butter at this rate.

This convertibility demands an equalization of rates which is not provided for in the present tariff act but which has been given recognition in the pending bill, reckoned, however, unless an increase is granted, on a 12-cent tariff on butter. In my calculations I am using the 15-cent tariff rate on butter. Based on the amount of butter and the skim milk that can be produced from one gallon of fresh milk, the duty on this product should be 8 cents per gallon. Expressed in terms of butter, one gallon of fresh milk is equivalent to 0.4128 pound. At 15 cents per pound this is entitled to a rate of 6.2 cents per gallon of milk. The 85 pounds of skim milk at 2 cents per pound would be 1.70 cents per gallon, making the final equivalent rate on milk 6.2 cents for the butterfat plus 1.7 cents for the skim-milk content, or 7.9 cents per gallon.

Cream, which now has a 20-cents-per-gallon rate, would be advanced to 60 cents per gallon based on a 40 per cent butterfat content. One gallon of cream having a 40 per cent butterfat content will produce 4 pounds of butter. The equivalent rate on cream to a 15-cent rate on butter would, therefore, be 60 cents a gallon.

Considerable imports of powdered and evaporated whole milk and powdered cream enter the United States because the rates in the present tariff act on those products are not in line with the rate on the basic product, butter. Twelve and one-half pounds of whole-milk powder can be manufactured from 100 pounds of whole milk. There are 11.6 gallons of milk in 100 pounds of milk. The equalized duty on 100 pounds of milk will be 92.8 cents or 7.4 cents per pound. With the addition of 2.6 cents per pound to cover lower manufacturing costs in foreign competing countries, the adjusted duty requested on powdered whole milk is 10 cents per pound.

Evaporated whole milk requires an import duty of 3 cents per pound to conform to the rate on powdered whole milk. Condensed milk, which is sweetened condensed or evaporated milk, requires an import rate of $4\frac{1}{2}$ cents per pound. Powdered cream, 14 cents per pound.

In the present tariff act there is little or no attention given to these equivalents. Fresh milk has a duty of $2\frac{1}{2}$ cents per

gallon, and cream 20 cents per gallon, which made it profitable to import both for making butter in order to avoid payment of the higher equivalent tariff duty on butter. The Tariff Commission remedied this to a certain extent in the new rates proclaimed by the President on April 13, 1929.

In the tariff act of 1922 evaporated milk carries a duty of 1 cent a pound; sweetened condensed milk, $1\frac{1}{4}$ cents a pound; all other condensed or evaporated milk, three-eighths of a cent a pound; whole milk powder, 3 cents a pound; cream powder, 7 cents a pound; and skimmed milk powder, $1\frac{1}{4}$ cents a pound. The rates are not based on the relative amounts of milk, cream, or butterfat included in each, and therefore are inaccurate and unscientific.

The same is true regarding cheese, which now carries a duty of 5 cents per pound, excepting the form of cheese which received an increased rate from the Tariff Commission. As 100 pounds of whole milk will produce 10 pounds of cheese, to agree with the milk duty of 8 cents per gallon the equivalent duty on cheese should be 8 cents per pound on American or cheddar cheese. The duty on casein should be increased also, as has already been fully stated.

The dairy industry embraces a total farm value of nearly \$3,000,000,000. Over one and one-half million farmers depend upon milk and its products for the greater source of their incomes. This great industry is entitled to protective rates which are calculated on the known relationships that exist among the different forms of dairy products and which are based on a sound foundation. It is of tremendous importance to Minnesota, which is one of the leading dairying States in the United States, that the pending tariff bill should accord full protection to all the dairy products and by-products.

VEGETABLE OILS

I now come to another very important matter in relation to not only the dairy industry but to the entire group of farmers engaged in livestock production. The farm organizations and the spokesmen in Congress who represent agricultural districts gave detailed testimony to the Ways and Means Committee regarding vegetable oils and fats. The farmers are demanding adequate protection from foreign vegetable oils and fats, and particularly from the duty-free coconut oil coming from the Philippine Islands. This menace of increasing vegetable oil imports is the most disturbing of any that confront our dairy, hog, and cattle farmers to-day. Because of the inseparability in relationships of the oils and fats and the oil-bearing raw materials from which such oils and fats are extracted they must all be considered together. Tariff protection in this schedule will be nullified (a) if preferential treatment is accorded to any vegetable oil because it comes from the Philippine Islands, and (b) if inedible fats are exempted from the imposition of an adequate tariff duty. Farmers must prepare to fight to the last ditch against both of these exemptions, because either one of them will destroy the effectiveness of tariff protection in this schedule.

The list of vegetable oils on which a 45 per cent ad valorem duty is requested is a long one. The tariff act of 1922 recognized these importations and imposed duties on some, but these duties were only feeble attempts to give protection to American producers.

Imports of fish oils, wool grease, hempseed oil, linseed oil, olive oil, various nut oils, coconut oil, cottonseed oil, peanut oil, soy-bean oil, and combinations and mixtures of animal, vegetable, or mineral oil must be made dutiable.

In addition adequate duties are demanded on beef and mutton tallow, oleo oil, oleo stearin, lard and lard compounds and substitutes, castor beans, cotton, hemp, flax, poppy and sunflower seed, apricot and peach kernels, soya beans, copra, tung, palm and palm kernel fats, rape and sesame seeds. Some of these items have been adjusted in the pending bill.

The interchangeability in use of the different vegetable oils and the fats imported necessitate a scientific tariff treatment which is not found in the present tariff law and which has not yet been incorporated as a definite and uniform plan in the pending bill. Obviously, if the vegetable oils originating in the Philippines are permitted to come in duty free, a full degree of protection will not be accorded our domestic producers. The annual importations from these islands cost the American farmers, directly and indirectly, upward of \$150,000,000 a year. In 1927 there were 577,497,000 pounds of coconut oil imported duty free to the United States from the Philippine Islands.

The vegetable-oils schedule in the tariff bill to be enacted is fraught with good or ill to the American farmer. It would be a calamity now not to grant him protection equal to that which has aided industry, in the main, to maintain itself in prosperity all these years.

The entire membership of the House will, I am sure, join in the effort to give adequate protection to agriculture at this special session of Congress, called for that specific purpose. [Applause.]

Mr. HAWLEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SNELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 2667) to readjust the tariff and had come to no resolution thereon.

ADJOURNMENT

Mr. HAWLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 1 minute p. m.) the House adjourned until to-morrow, Thursday, May 16, 1929, at 12 o'clock noon.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKBEE: A bill (H. R. 2962) to amend the United States Code, title 28, section 152 (Judicial Code, sec. 79), by providing two terms of court annually at Rockford, in the western division of the northern district of Illinois; to the Committee on the Judiciary.

By Mr. BURDICK: A bill (H. R. 2963) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, and acts in amendment thereof; to the Committee on the Judiciary.

By Mr. BYRNS: A bill (H. R. 2964) to restore Fort Negley, at Nashville, which was used and occupied by Federal forces during the Civil War; to the Committee on Military Affairs.

By Mr. DOUGLAS of Arizona: A bill (H. R. 2965) to authorize the Secretary of the Interior to lease concessions on reservoir sites, and other lands in connection with Indian irrigation projects; to the Committee on Indian Affairs.

By Mr. JAMES (by request of the War Department): A bill (H. R. 2966) to provide for the care and maintenance of the Guilford Courthouse National Military Park; to the Committee on Military Affairs.

Also (by request of the War Department): A bill (H. R. 2967) to authorize the charging of transportation costs on Quartermaster Corps supplies, equipment, and material to the appropriation from which such supplies, equipment, and material were procured; to the Committee on Military Affairs.

By Mr. O'CONNOR of Oklahoma: A bill (H. R. 2968) granting a pension to the regularly commissioned United States deputy marshals of the United States District Court for the Western District of Arkansas, including the Indian Territory, now the State of Oklahoma, and to their widows and dependent children; to the Committee on the Judiciary.

By Mr. SUTHERLAND: A bill (H. R. 2969) granting abandoned public buildings and grounds at Sitka, Alaska, to the Territory of Alaska, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. DYER: A bill (H. R. 2970) providing for the garnishment of and levy of execution on wages and salary of civil employees of the United States; to the Committee on the Judiciary.

By Mr. BYRNS: Joint resolution (H. J. Res. 75) providing for a joint committee of the Senate and House of Representatives on reorganization of the administrative services of the Government; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 2971) granting a pension to Julia A. Barber; to the Committee on Invalid Pensions.

By Mr. BOWMAN: A bill (H. R. 2972) granting a pension to Jane Mick; to the Committee on Invalid Pensions.

By Mr. BYRNS: A bill (H. R. 2973) for the relief of Sam Perkins; to the Committee on Claims.

Also, a bill (H. R. 2974) for the relief of Myer Morris; to the Committee on Claims.

Also, a bill (H. R. 2975) for the relief of Davidson County, Tenn., and the city of Nashville, Tenn.; to the Committee on War Claims.

Also, a bill (H. R. 2976) to authorize the President to present the distinguished flying cross to Lieuts. Lowell H. Smith,

Leslie P. Arnold, E. H. Nelson, and John Harding, jr.; to the Committee on Military Affairs.

Also, a bill (H. R. 2977) granting a pension to Alice C. Branch; to the Committee on Pensions.

Also, a bill (H. R. 2978) granting a pension to Julia Wade; to the Committee on Pensions.

Also, a bill (H. R. 2979) granting a pension to James W. Johnson; to the Committee on Pensions.

Also, a bill (H. R. 2980) granting a pension to Mariah H. Bowen; to the Committee on Pensions.

Also, a bill (H. R. 2981) granting a pension to Fred Allen; to the Committee on Pensions.

Also, a bill (H. R. 2982) granting an increase of pension to Thomas H. Rogers; to the Committee on Pensions.

By Mr. COCHRAN of Pennsylvania: A bill (H. R. 2983) for the relief of Samuel F. Tait; to the Committee on Claims.

By Mr. COLLINS: A bill (H. R. 2984) granting six months' pay to Mary A. Bourgeois; to the Committee on Naval Affairs.

By Mr. CRAIL: A bill (H. R. 2985) granting a pension to Eva Davison; to the Committee on Invalid Pensions.

By Mr. DALLINGER: A bill (H. R. 2986) for the relief of Michael F. Calnan; to the Committee on Naval Affairs.

By Mr. FREEMAN: A bill (H. R. 2987) granting an increase of pension to Milissa S. Franklin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2988) granting an increase of pension to Mary B. Greene; to the Committee on Invalid Pensions.

By Mr. GARBER of Oklahoma: A bill (H. R. 2989) granting a pension to Matt Hogan; to the Committee on Invalid Pensions.

By Mr. GRIFFIN (by request): A bill (H. R. 2990) to provide for the appointment of Maurice D. Loewenthal as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. HOGG: A bill (H. R. 2991) granting a pension to Emily B. Jennings; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2992) granting a pension to Amanda White; to the Committee on Invalid Pensions.

By Mr. HOPE: A bill (H. R. 2993) granting a pension to Myrtle Austin; to the Committee on Invalid Pensions.

By Mr. HUGHES: A bill (H. R. 2994) granting a pension to Charlotte Buck; to the Committee on Invalid Pensions.

By Mrs. LANGLEY: A bill (H. R. 2995) granting a pension to Daniel Wilson; to the Committee on Pensions.

Also, a bill (H. R. 2996) granting a pension to Edward Chaney; to the Committee on Pensions.

Also, a bill (H. R. 2997) granting a pension to Alma Kash; to the Committee on Pensions.

Also, a bill (H. R. 2998) granting a pension to John Johnson; to the Committee on Pensions.

Also, a bill (H. R. 2999) granting a pension to John Brown; to the Committee on Pensions.

Also, a bill (H. R. 3000) granting a pension to Neva Stapleton; to the Committee on Pensions.

Also, a bill (H. R. 3001) granting a pension to Arthur McDaniel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3002) granting a pension to William Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3003) granting an increase of pension to Dury M. Craft; to the Committee on Pensions.

By Mr. MANLOVE: A bill (H. R. 3004) for the relief of Arthur Moffatt, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 3005) to carry out the findings of the Court of Claims in the case of Joseph G. Grissom; to the Committee on War Claims.

Also, a bill (H. R. 3006) granting a pension to Ella Girton; to the Committee on Pensions.

Also, a bill (H. R. 3007) granting a pension to Mary McDaniel; to the Committee on Pensions.

Also, a bill (H. R. 3008) granting a pension to Carrie York; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3009) granting a pension to Alfred Street; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3010) granting a pension to Gustav A. Seyfert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3011) granting a pension to Mary Ann Senseney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3012) granting a pension to Amanda E. Roy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3013) granting a pension to Bertha C. Hammer Rentfrow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3014) granting an increase of pension to Elizabeth Plumb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3015) granting a pension to Samantha E. Hunter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3016) granting a pension to Alice Henry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3017) granting a pension to Harriet C. Hardacre; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3018) granting a pension to Sarah Funderburgh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3019) granting an increase of pension to Mary Dyer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3020) granting a pension to Minnie Chapman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3021) granting a pension to Amanda Bland; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 3022) to provide for the advancement on the retired list of the Navy of George Dewey Hilding; to the Committee on Naval Affairs.

By Mr. MICHENER: A bill (H. R. 3023) granting a pension to Ella Eaton; to the Committee on Invalid Pensions.

By Mrs. NORTON: A bill (H. R. 3024) granting an increase of pension to Ellen Speck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3025) granting an increase of pension to Mary Fitzgerald; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3026) granting an increase of pension to Marie Fell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3027) granting an increase of pension to Michael J. Murphy; to the Committee on Pensions.

By Mr. O'CONNOR of Oklahoma: A bill (H. R. 3028) for the relief of William A. Hynes; to the Committee on Military Affairs.

By Mr. HARCOURT J. PRATT: A bill (H. R. 3029) granting an increase of pension to Martha A. Terwilliger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3030) granting an increase of pension to Martha J. Symonds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3031) granting an increase of pension to Clara Daved; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3032) granting an increase of pension to Susie P. Van Nostrand; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3033) granting a pension to Ida Van Loan McWhood; to the Committee on Invalid Pensions.

By Mr. SHORT of Missouri: A bill (H. R. 3034) granting an increase of pension to Julia Finley; to the Committee on Invalid Pensions.

By Mr. SOMERS of New York: A bill (H. R. 3035) granting an increase of pension to Emily M. Cunningham; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 3036) granting an increase of pension to Harmon E. Deck; to the Committee on Pensions.

By Mr. TILSON: A bill (H. R. 3037) granting a pension to Laura P. Tucker; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

406. Petition of the Polk Van Ness and Larkin District Association, memorializing Congress of the United States for a reduction of 50 per cent in the Federal tax on earned incomes; to the Committee on Ways and Means.

407. Petition of the Garage and Property Owners Association of California, memorializing Congress of the United States for a reduction of 50 per cent in the Federal tax on earned incomes; to the Committee on Ways and Means.

408. Petition of the International Brotherhood of Blacksmith's Helpers, Local 168, of San Francisco, Calif., urging the Congress of the United States for a reduction of 50 per cent in the Federal tax on earned incomes; to the Committee on Ways and Means.

409. By Mr. BARBOUR: Resolution of California Oil and Gas Permittees and Lessees Association, relative to regulations issued by the Secretary of the Interior relating to oil and gas prospecting permits and leases; to the Committee on the Public Lands.

410. By Mr. CULLEN: Petition of the Big Six Post, No. 1522, Veterans of Foreign Wars of the United States, recording their united and emphatic protest against the deplorable conditions brought about by the eighteenth amendment and its enacting laws, and therefore demanding their repeal; to the Committee on the Judiciary.

411. By Mr. GREGORY: Petition of U. S. Copeland and other citizens of Ballard County, Ky., urging enactment of legislation authorizing increased pensions for veterans of the Spanish-American War; to the Committee on Pensions.

412. By Mr. HICKEY: Petition of Wayne Township, Starke County, Ind., Farm Bureau, asking for adequate protection to our American producers of peppermint oil, etc.; to the Committee on Ways and Means.

413. By Mr. VINCENT of Michigan: Petition of citizens of Saginaw County, Mich., protesting against proposed legislation for the simplification of the calendar; to the Committee on Foreign Affairs.

SENATE

THURSDAY, May 16, 1920

Rev. Joseph R. Sizoo, D. D., minister of the New York Avenue Presbyterian Church of the city of Washington, offered the following prayer:

Almighty God, all whose ways, though past finding out, are altogether ways of love, we pause at the opening of this session to bless Thee for Thy goodness. The lines have fallen unto us in pleasant places and a goodly heritage is ours. Thou art better to us than we deserve. Doubt has dimmed our vision. Pride has shut the doors of our souls. The bitterness of disappointed hopes has closed our hearts to Thy presence. Pardon again those moments in which we have forgotten Thee. May we see afresh Thy constant love and know that Thou art yet with us always unto the end of time, that the cords which are broken may vibrate once more. Through Jesus Christ our Lord. Amen.

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday, May 7, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Frazier	McMaster	Smoot
Ashurst	George	McNary	Steck
Barkley	Gillett	Metcalf	Steiwer
Bingham	Glenn	Moses	Stephens
Black	Goff	Norbeck	Swanson
Blaine	Goldsborough	Norris	Thomas, Idaho
Blease	Gould	Nye	Thomas, Okla.
Borah	Greene	Oddie	Townsend
Brookhart	Hale	Overman	Trammell
Broussard	Harris	Patterson	Tydings
Burton	Harrison	Phipps	Tyson
Capper	Hatfield	Pine	Vandenberg
Caraway	Hawes	Pittman	Wagner
Connally	Hayden	Ransdell	Walcott
Couzens	Heflin	Reed	Walsh, Mass.
Cutting	Howell	Robinson, Ind.	Walsh, Mont.
Dale	Johnson	Sackett	Warren
Deneen	Kean	Schall	Waterman
Dill	Keyes	Sheppard	Watson
Edge	King	Shortridge	Wheeler
Fess	La Follette	Simmons	
Fletcher	McKellar	Smith	

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

ACQUISITION OF NEWSPAPERS BY POWER TRUST

Mr. NORRIS. Mr. President, I desire to announce to the Senate that to-morrow at 12 o'clock, on the convening of the Senate, if I may secure recognition, I expect to offer a few remarks upon the acquisition of newspapers by the Power Trust.

UTILITY COMMISSIONERS OF DISTRICT OF COLUMBIA

Mr. McKELLAR. Mr. President, several days ago the President sent in the names of two gentlemen for appointment as public-utility commissioners of the District of Columbia, Mr. H. H. Hartman and Mr. Mason M. Patrick. He gave a short history of each. I ask unanimous consent that the same be printed in the RECORD and that immediately thereafter may be printed the protest of the Washington Consumers' Guild against their appointment. The protest—

The VICE PRESIDENT. The Chair desires to call the Senator's attention to the fact that it is executive business to which he is referring.

Mr. McKELLAR. I know I can only have it done by unanimous consent. The protest has been published in the papers, but has not been published in full. It is a matter which I am quite sure every Senator should see before the nominations are voted on. It can only be done by unanimous consent and I am asking consent. If any Senator objects, of course it can not be done.

Mr. WALSH of Massachusetts. Mr. President, we in the rear of the Chamber have not been able to hear the request of the Senator from Tennessee.

The VICE PRESIDENT. Let the Senate be in order.

Mr. McKELLAR. I will repeat my request. Several days ago the President sent in the names of Mr. H. H. Hartman and Mr. Mason M. Patrick to be public-utility commissioners